

### 13. Performance monitoring of health system outcomes

This chapter addresses the terms of reference to review performance management systems including their effectiveness and as they relate to monitoring health system outcomes.

An effective performance monitoring and reporting system is one that enables an organisation to report on all dimensions of service delivery and the outcomes achieved. It uses systems that are robust and processes that are open and transparent and which meet the expectations of staff, government and the community for honest and factual performance reporting.

The outcomes of the health system are to improve the health of the population. As the Interim Report detailed, health is defined as “a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity”. Monitoring health system outcomes therefore needs to consider the best ways to assess and measure:

- health status such as life expectancy and deaths
- determinants of health such as education levels, employment levels and healthy behaviours including smoking
- health services including the safety, effectiveness, accessibility and efficiency of services provided
- the capability and sustainability of the service such as the adequacy of the health workforce, capital infrastructure and information technology.

With escalating costs of health services and increasing community demand for information on health systems, governments around the world have a keen interest in examining how health systems are performing. Most governments desire a consolidated simple set of performance indicators that can be used at all levels within the health system.

This has led to the development of a number of systems and frameworks to monitor outcomes and long lists of indicators. A summary of indicator sets being used in the United States, United Kingdom and Canada, written by the New South Wales Health Department<sup>112</sup> is provided in Appendix 13.1. Broad themes across these international indicator sets, identified in the New South Wales report<sup>113</sup>, include:

- a focus on coordination and alignment of indicator sets across national systems
- increasing emphasis on public disclosure of indicators for sub national organisational units (United States, Canada, United Kingdom)
- recognition of the need for a balanced set of indicators rather than focusing on one aspect of performance over others eg. financial performance
- moves to systematically review the evidence base for indicators.

In Australia, the National Health Performance Framework has been endorsed as the framework for monitoring the performance of the health system at the national and state

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<sup>112</sup> New South Wales reviewed these indicator sets in 2003. However, they remain largely current.

<sup>113</sup> New South Wales Health System Performance Indicators, August 2003

levels and national reporting is increasingly aligned to this framework (eg Report on Government Services).

**National Health Performance Framework**

Health status and outcomes				
Healthy conditions	Human functions	Life expectancy and wellbeing		Deaths
Determinants of health				
Environmental factors	Socioeconomic factors	Community capacity	Health behaviours	Person-related factors
Health system performance				
Effectiveness	Responsiveness		Continuity	
Appropriateness	Accessibility		Capability	
Efficiency	Safety		Sustainability	

The Interim Report identified that this framework was only one reporting framework used for monitoring the performance of Queensland Health. The Interim Report identified a number of the frameworks Queensland Health uses to monitor its performance and suggested that one framework be considered for monitoring health system outcomes. The following elements are a useful framework for internal and external reporting:

Health system outcomes	Examples
Health status and determinants	life expectancy, percent of the population smoking, employment rates
Patient outcomes	improved functioning following surgical intervention
Health service activity, expenditure and efficiency	total patients admitted, bed days, weighted separations
Health workforce	workforce numbers by clinical streams, absenteeism, turnover, satisfaction, culture, grievances
Health service quality and safety	credentialing and privileging, quality and safety (incident and sentinel events), patient complaints, adherence to evidence based guidelines, clinical audit
Health service responsiveness	elective surgery and emergency department waiting times, patient satisfaction
Health service sustainability	coordinated health programs, learning culture, capital infrastructure and information communication technology.

**13.1 Improvements to health system performance monitoring arising from this Review**

The recommendations made in the preceding chapters will result in an improved capacity to monitor health system outcomes. Queensland Health will develop strategic planning processes that relate more specifically to services, and a statewide services plan will be available that integrates clinical service, workforce, capital and information technology planning. In addition, the clinical networks to be established will also develop a number of statewide service plans for priority health conditions such as cardiovascular disease. These plans will specify targets to be achieved under new funding arrangements,

particularly for patient outcomes, the responsiveness of services (eg waiting times), the quality and safety of services and workforce capacity. These targets will be central to new health system performance monitoring and reporting arrangements which will be the responsibility of the Performance Directorate located in Central Office.

Targets have been used within Queensland Health in the past but within a punitive culture. Targets must be used as an enabler in the future performance monitoring system. Targets are to be used to assist the organisation to identify what it can reasonably achieve within reasonable timeframes. Targets will assist the organisation to assess whether its performance is on track and whether timely remedial action is required.

## 13.2 Current performance monitoring and reporting arrangements in Queensland Health

### 13.2.1 Health system outcomes being monitored

Queensland Health regularly reports **externally** on health system outcomes against hundreds of performance measures to the Commonwealth and State governments, many of which are required under funding agreements. It also contributes performance data to many national reports (eg produced by the Australian Institute of Health and Welfare and the Productivity Commission).

Queensland Health reports annually on its performance to the State Government in two ways:

- the outcomes of its services, reported through the Government's Priorities in Progress report series, using the following health status measures:
  - health and well being (life expectancy, mortality, health inequities)
  - health status (mortality, injury hospitalisations, cancer survival)
  - health services
  - health behaviours (health risk factors and health enhancing factors)

These outcomes are also used as the performance measures for the *Queensland Health Strategic Plan 2005-11* which implements the Health 2020 Directions Statement.

- the Department's outputs, reported through the Ministerial Portfolio Statement (planned outputs) and the Annual Report (produced outputs). The outputs have had a strong focus on hospital services, particularly activity, access and expenditure. Partly in recognition of this focus, Queensland Health recently reviewed its outputs and will in future report against revised outputs (shown below) that better reflect the services provided across the care continuum.

#### Outputs reported through the Ministerial Portfolio Statement and the Annual Report

Existing outputs	Revised outputs
Treatment and Management – Acute Inpatient Services	Protection, Promotion and Prevention
Treatment and Management – Non-Inpatient Services	Treatment – Specialised and Referral Hospitals
Integrated Mental Health Services	Treatment – Non-specialised Hospitals
Health Maintenance Services	Community Treatment and Care
Public Health Services	Long Term Accommodation and Care

In terms of monitoring and reporting workforce indicators, the Queensland Health Annual Report and the annual Ministerial Portfolio Statement report on total FTE staff employed per output (eg total FTE for Treatment and Maintenance – Acute Inpatient Services). Given the importance of workforce issues in the current environment of workforce shortages and global workforce competition, this level of workforce monitoring is not considered sufficient. As detailed later in this chapter, other jurisdictions monitor a greater range of indicators.

In the last two years, Queensland Health has used a different set of measures to **internally** monitor its performance against strategic priorities, in recognition that the Department has focused too heavily on monitoring financial performance (reflecting external reporting requirements). It has used the balanced scorecard approach to set strategic directions and targets which achieve greater balance and a focus on patient centred care. Performance measures have been developed to measure progress against four sets of strategies:

- Shaping the workforce (6 measures) eg recruiting the right staff and ensuring they have the right skills
- Internal processes (10 measures) eg using evidence based processes to improve patient care
- Paying for health (3 measures) eg achieving a balanced budget
- Consumers (10 measures) eg improved access to care.

Some of the consumer measures have not yet been developed. This reflects the relative immaturity of Queensland Health (like other Australian health jurisdictions) in measuring the performance of health services from a patient or community perspective. Forays into monitoring consumer measures have included two patient satisfaction surveys (2001, 2005) but with a focus on services (eg food and comfort) which although important, do not replace outcomes (eg the extent to which a patient's treatment resolved or addressed that patient's health needs).

Assessment of health status before and after undergoing procedures in hospital provides a direct measure of the degree of effective performance of a health service. This approach has been piloted at The Prince Charles Hospital among patients admitted for selected surgical procedures. Significant improvements in physical and mental functioning, comparable to some of the best results achieved internationally were demonstrated. This model of assessing patient outcomes has not been explored for wider adoption across Queensland Health.

## **13.2.2 Current performance monitoring and reporting system**

### **Monitoring health system outcomes using strategic indicators**

The impact of achieving greater balance in performance reporting (ie not only focused on hospital activity and financial matters) has been variable, with no real flow-on to district monthly reporting which remains budget and activity focused. Budgets are monitored for hospital, oral health, mental health and community health services but activity is limited to hospital and oral health services. While information on community health activity is collected (manually in many cases) and this information is discussed by district

executives in some districts, there is no routine reporting about community health activity at the district, zone or corporate levels.

Zonal Management Units provide commentary on district monthly reports to the Finance Committee which also receives district monthly reports. The Finance Committee provides a monthly financial report to the Board of Management which approves the information on financial performance being forwarded to Queensland Treasury. Zonal Management Units meet with district executives if performance is significantly below expectation. Regular zonal forums are conducted.

### **Monitoring health system outcomes using operational indicators**

As previously described, Queensland Health is required to report on hundreds of indicators, most of which are required by funding agreements and few of which are reflected in strategic indicators (eg few are included as measures in the Queensland Health Strategy Map). Consultation undertaken for the Review indicated that this operational level reporting consumes many clinical resources, particularly in community based settings. For example, many staff spend time entering data into a number of information systems for use in reporting to the Commonwealth for Home and Community Care (HACC) funding and mental health funding. While some of this data entry relates to outcomes being achieved with funding (ie. mental health outcomes), many staff have indicated the need to review existing indicators to reduce the number required and to automate information systems to reduce the reporting burden. Of note, Queensland Health has recently initiated a review of operational indicators with a view to reducing the reporting burden, particularly duplication.

What we need to do is get away from the situation where middle management waste time (and it is wasted) reporting routine data up, and give them the information and free up the time they need to make good decisions. This wouldn't have to cost a bomb. There are already structures available for report delivery. It's just a matter of figuring out the sorts of information that people need and bringing it together.

Source: *Submission to Queensland Health Systems Review, July 2005*

### **13.2.3 Current performance information made public**

There is limited routinely reported information available to the public on the performance of the Queensland public health system. The Ministerial Portfolio Statement (planned outputs) and the department's Annual Report (actual outputs) provide the basis of performance information provided to the public. The only other routinely reported public information is the quarterly reports on waiting times for elective surgery, available on the Queensland Health website, and selected health status indicators in the *Priorities in Progress* report series.

Queensland Health also publishes the *State of Health of the Queensland Population* series of reports but on an irregular basis, the most recent being 2005. The reports identify the burden of disease for Queensland and highlight areas of potential health improvement. A more detailed analysis of health determinants was published in 2004 (*Health Determinants Queensland*).

As the following section will show, compared to New South Wales and Victoria, Queensland Health provides less routine public information about a range of health

services including access, the quality and safety of health services, patient outcomes and population health outcomes.

### 13.3 Performance monitoring and reporting arrangements in other jurisdictions

Other jurisdictions' approaches to measuring health system outcomes are in various stages of development. Like Queensland, health departments in other jurisdictions:

- have similar requirements under a range of funding agreements to report on many operational level indicators (eg for HACC funding) which consumes considerable resources
- are dealing with the complexity of measuring patient outcomes with no jurisdiction as yet regularly measuring pre and post functional capacity (eg did knee replacement surgery improve patients' functional capacity).

The following table summarises the approaches being taken in New South Wales, Victoria and Western Australia. Appendix 13.2 provides a detailed description of current arrangements in place in these jurisdictions.

Particularly good aspects of the New South Wales performance system, which Western Australia is moving towards, is the use of a standard set of indicators across all services (ie hospitals, community services etc). New South Wales also has a well developed system of interactive performance reviews in which the Director General and the Executive Director, Performance visit Area Health Services every six months to discuss performance and collaboratively identify strategies to improve performance where required. This interactive, solution-seeking and collaborative process is similar to the performance review process being used by the Queensland Police Service, described in Appendix 13.2.

A particularly good aspect of the Victorian performance system is the extent of publicly available information. For example, Victoria publishes:

- 6 monthly hospital performance reports which include broader performance measures than the annual report (expenditure, efficiency, public health insurance, GP bulk billing, access, patient satisfaction, avoidable admissions, workforce)
- from October 2005<sup>114</sup>, annual quality of care reports from each Board (progress on surgical issues, clinical governance framework, credentialing, infection control, medication errors, falls, pressure wounds plus other indicators that Boards considers important to report on)
- annual report on outputs
- annual departmental quality reports (sentinel events, infection control)
- annual trauma report
- burden of disease reports
- avoidable admission reports.

<sup>114</sup> Quality of Care Reports – guidelines and minimum reporting requirements for 2004-05.

External monitoring processes being used in other jurisdictions include the Clinical Excellence Commission in New South Wales, which reports on the quality and safety of clinical services, and external review of the appropriateness of performance indicators in Western Australia by the Department of Treasury and the Auditor General. The Auditor General also audits the performance information provided by the health department in its annual report.

	New South Wales	Victoria	Western Australia
Health system outcomes monitored - moving to standard indicator set for use at all levels	✓	✓	✓
Targets are identified for each indicator	✓	✓	✓
Performance agreements are in place with service managers	✓	✓	✓
The use of an interactive reporting process	✓	✓	
Regular departmental public reports on performance	✓	✓	Under consideration
Reporting by external agencies – quality and safety	✓		✓
Reporting by external agencies– health system performance	✓		✓

From the above table, there are clear trends across these jurisdictions towards developing performance monitoring and reporting systems that:

- monitor and report on health system outcomes through a standard set of strategic indicators
- use this standard set of indicators for reporting at all levels (ie from services to the department and from the department to Government)
- recognise the need for a balanced set of indicators rather than focusing on one aspect of performance over others eg financial
- use performance agreements with service managers
- use interactive performance review processes that are problem-solving and collaborative
- provide regular public reports on performance
- include performance assessment by external agencies, including quality and safety matters.

These trends are in line with the principles for performance monitoring and reporting detailed in the Interim Report.

## 13.4 Directions for change

### 13.4.1 The health system outcomes that should be monitored

#### Using a standard set of strategic indicators

Health system outcomes should be monitored using a standard set of strategic indicators that provide an overview of performance and act as an early warning sign on areas where performance needs to be improved or policy requires review or development.

As described in the beginning of this chapter, a useful framework for monitoring health system outcomes is:

- health status and health determinants
- patient outcomes
- health service activity, expenditure and efficiency
- health workforce
- health service quality and safety
- health service responsiveness
- health service sustainability.

Using indicators in New South Wales, Victoria and Western Australia, the following table lists the types of indicators that should be used to routinely monitor and report health system outcomes. This table should be used as a starting point for consultation in determining a standard set of indicators for routinely reporting system outcomes.

Health system outcomes	Possible indicators	Desired outcome	Based on indicators used by...	Currently reported by Queensland Health*
Health status and determinants	Potentially avoidable deaths	Increase life expectancy through health promotion, screening and early intervention	NSW, Canada, UK	√
	Chronic disease risk factors	Reduced chronic disease through target programs	NSW, Vic, Canada, UK	√
	Ante natal visits before 20 weeks (Aboriginal and non-Aboriginal women)	Higher birth weight babies reducing the risk of ill health in later life	NSW, Canada, UK	√
	Falls in older people	Reduced illness and death from fall related injuries in older people	NSW, Canada, UK	
	Self reported mental health	Improved mental health and wellbeing of the community	NSW, Vic, Canada, UK	
	Education levels, employment rates	Develop partnerships with lead agencies for employment and education to improve levels and associated health status	Canada	
Patient outcomes	improved functioning following health intervention	Health interventions improve patient outcomes	Nil – based on The Prince Charles Hospital project	
	Participation rates for breast and cervical cancer screening	“	Vic	√
	Child and adult immunisation	Reduced illness/death from vaccine preventable diseases in children and older people	NSW, Vic, Canada, UK	√

Health system outcomes	Possible indicators	Desired outcome	Based on indicators used by...	Currently reported by Queensland Health*
	Avoidable hospitalisations for selected ambulatory care sensitive conditions	Greater independence and health for people who can be kept well at home	NSW, WA, Vic, Canada, UK	
	Inpatient clients who are contacted by community service provider following discharge	"	Vic, WA	
Health service activity, expenditure and efficiency	Staying on budget	Continued sound financial management and efficient use of resources	NSW, WA, Vic	√
	Maximising service output (total admitted patients, bed days)	"	NSW	√
	Weighted output measure (Cost per casemix adjusted separation)	"	NSW, WA, Vic,	√
Health workforce	Workforce capacity (proportion of staff by clinical streams, absenteeism, separate rates, junior doctor hours)	Workforce available to provide required health services for the community	Vic, NSW, Canada	
	Staff climate (staff satisfaction, organisational culture, grievances lodged and number resolved within timeframes)	Positive workforce climate to attract and retain staff	NSW, Vic	
Health service quality and safety	Planned and unplanned re-admission rates (overall, operating theatre, ICU, mental health facility)	Improved care and health outcomes for patients	NSW, WA, Canada	
	Staff credentialed in accordance with policy	"	Most jurisdictions are currently developing quality and safety indicators	
	Number of incidents including sentinel events; Number of incidents fully investigated (RCA)	"		
	External accreditation	"		√
	Adherence to evidence based guidelines	"		√
	Patient complaints (total and resolved within timeframes)	"		
Health service responsiveness	Elective surgery and emergency department waiting times (% seen within agreed benchmarks)	More timely access to treatment to improve health outcomes	NSW, WA, Vic, Canada, UK	√
	Consumer feedback (patient satisfaction)	Greater satisfaction with health care experience	NSW, Vic, Canada, UK	√

Health system outcomes	Possible indicators	Desired outcome	Based on indicators used by...	Currently reported by Queensland Health*
Health service sustainability	Partnership plans developed and reviewed	Improved coordination of care to improve health outcomes	Vic	
	Discharge summaries provided to GPs within 24 hours	"	Nil	
	Involvement in research	Improving the culture to that of a learning organisation	Nil	
	Asset utilisation	Making sure the right assets are in place and effectively used	NSW, WA, Vic	

\* Through Priorities in Progress reporting or Annual Report

There are a number of areas which will require significant work in terms of developing appropriate indicators to measure system outcomes:

- Patient outcome** - the example of patient outcomes measures provided earlier in this chapter (ie functional outcomes following selected surgical procedures in The Prince Charles Hospital) involves surveying patients before and after their procedure. This requires resources to develop the survey (or purchase an existing survey), administer the survey, follow up responses, data entry and analysis, and report writing. The measurement of patient outcomes can therefore be an expensive process. However, the measurement of the effectiveness of services is an essential performance measure. A program for measuring patient outcomes must be developed. This may be a rolling program across a number of high volume procedures over time.
- Workforce** - given the importance of workforce issues in the current environment of workforce shortages, indicators of workforce capacity will be vitally important to being able to provide health services to the community. Workforce indicators should include FTEs across clinical streams. Indicators should also include issues correlated with staff retention: staff satisfaction, vacancies/turnover, absenteeism, number of staff with performance plans in place, number of grievances and number of grievances resolved within timeframes. In particular, the culture of the organisation must be monitored to ensure it improves and that these improvements are achieved in the shortest possible time. As described in Chapter 4, the performance of any organisation is dependent upon the performance of its staff. These indicators are therefore vitally important and must be routinely monitored so that timely remedial action can be taken if required.
- Quality and safety** - the quality and safety of clinical services is an issue of great community concern following the events at the Bundaberg Base Hospital. Quality and safety indicators must be essential elements in the standard set of indicators. To be robust indicators, the focus must be a mixture of numbers (eg total complaints) and processes (eg number of incidents fully investigated). There are few existing measures of quality and safety in other Australian jurisdiction's indicator sets other than accreditation. Most jurisdictions are currently developing these indicators.
- Adherence of evidence based practice** - Chapter 6 described the introduction of clinical networks to improve the planning and delivery of services for priority health conditions such as cardiovascular disease. As the clinical networks mature and

benchmarking becomes routine practice for various health conditions, the performance indicators used by networks for benchmarking should be incorporated into the standard set of strategic indicators as measures of the quality and safety of clinical services (adherence to evidence based practice). An example of this is the inclusion of “use of Beta Blockers in eligible patients with congestive heart failure” as a performance indicator in outputs reporting to the Queensland Government. This performance indicator was developed through the Collaborative process and over time become accepted practice among clinicians in evaluating service provision.

- **Priority population groups** - there are a number of population groups that currently have health inequities compared to the general population or require different approaches for health. Priority populations are Indigenous people, children and young people, people living in rural and remote areas, the aged, people with mental health conditions and people with culturally and linguistically diverse backgrounds. The standard set of indicators should include at least one indicator for priority populations eg Indigenous people.

The setting of targets to be achieved also needs careful consideration to ensure that perverse incentives are not introduced. Examples of such perverse incentives identified in written submissions to the Review included:

- the prioritisation of elective surgery over other services
- unnecessary recall of patients for dental treatments to meet activity targets rather than treatment completion targets (eg filling one cavity at a time rather than all cavities in the one visit in order to meet activity targets).

### **Reviewing operational indicators required to be monitored**

There will continue to be a range of indicators that are reported against, to a number of funding bodies. The reporting of these indicators needs to be reviewed for usefulness to achieving better health outcomes for the population. If indicators meet this criterion, they need to be linked to the standard set of strategic indicators (but not routinely reported). If indicators are found to be of minimal usefulness in terms of health outcomes, the Department should undertake negotiations with funding bodies to cease the reporting requirement, moving instead to reporting on fewer and more strategic indicators.

To reduce the reporting burden and free up clinician time, data collation for all performance indicators should be automated and integrated and the performance information be made available to staff and management to inform service planning.

## **13.4.2 The performance monitoring and reporting system that should be in place**

### **Performance agreements should be in place with service managers**

Performance agreements should be in place between the:

- Government and Director-General
- Department and Area Health Service General Managers
- Department and senior executives within Central Office
- Area Health Service General Manager and District Managers.

Performance agreements with Area Health Service General Managers and District Managers should be based on the standard set of strategic indicators plus other indicators as considered necessary in line with local or area priorities. For Central Office senior executives, indicators will need to focus on reform priorities including the first statewide health services plan and workforce plan. These indicators will need to be developed in the short term.

### **Proposed *internal* performance monitoring and reporting process**

Diagram 13.1 presents the recommended monitoring and reporting arrangements.

District level monitoring and reporting should comprise:

- Monthly reports to the Area Health Services using a standard set of indicators plus other indicators as per performance agreements. The monthly reports should be available to all staff in the district.
- Participation in six monthly Interactive Performance Review process involving district executive, Area Health Service General Manager, Director-General and other senior Central Office staff to enable exploration of performance variations (positive or negative) and discussion as to actions to address any areas of concern. The Queensland Police Service's Operational Performance Review model (very similar to the New South Wales model) is a good example of an interactive process and should be implemented within Queensland Health with six monthly performance review meetings.

Area Health Services level monitoring and reporting should include:

- the development and implementation of a framework that defines the level of intervention required (re monthly reports) to assist districts in meeting their performance targets
- monthly reports to the Department (Central Office) using standard set of indicators plus other indicators as per performance agreement
- participation in six monthly Interactive Performance Review process with Director-General and other senior Central Office staff such as the Executive Director, Performance
- production of an annual report on the performance of the Area Health Service, based on the standard set of indicators and comparing Area Health Service performance to the state average.

Central Office level monitoring and reporting should include:

- Quarterly report to Director-General on indicators in performance agreement
- Given that this report suggests significant reallocation of resources from Central Office to Area Health Services, it will be important to monitor the balance of resources in Central Office for the first two years following restructure
- Given that there will need to be some "bedding down" for the re-organised Central Office, it is not proposed that six monthly interactive performance reviews occur within Central Office in the first year of reform. The performance reporting process will therefore be the quarterly reports referred to above in the first year.

Department level monitoring and reporting should include:

- Monthly report to Queensland Treasury on standard set of indicators
- Annual report to Government on the standard set of indicators and strategic priorities as per Director-General performance agreement
- Annual report to Government on the health of the population by the Chief Health Officer.

At all levels, performance against indicators must be interpreted and required actions and accountabilities identified.

### **Proposed *external* performance monitoring and reporting process – Public transparency of health system performance**

Consultation undertaken for this Review identified that community members and stakeholder groups consider the current performance reporting arrangements to government to be unsatisfactory. They further believe that a deficit exists in the current performance monitoring and reporting system, namely the absence of any statutory body to oversee the performance of the health system. Four arrangements are proposed to address this deficit:

#### *Community review of performance*

District Health Councils should review District Health Services' monthly and six monthly performance reports and provide comment to Area Health Councils. They should also produce an annual public report on the performance of the District Health Services.

Area Health Councils should review Area Health Services' monthly and six monthly performance reports, considering comments provided by District Health Councils and provide comment to the Health Commission on any areas of concern regarding the quality and safety of clinical services. They should also produce an annual report on the performance of the Area Health Services.

A particular area of focus for the District and Area Health Councils should be monitoring the performance of leaders (ie District Managers and Area Health Services General Managers).

#### *Health Commission*

A new independent body should be established to monitor the systems which support effective clinical governance in the State's hospitals. Chapter 9 describes the role of the Health Commission which includes the following performance monitoring and reporting functions:

- Monitoring the compliance of all public and private health facilities<sup>115</sup> with agreed clinical standards including regularly publishing reports on a comparative basis relating to these standards
- To report generally to the Parliament or Minister and the proposed parliamentary committee as deemed appropriate by the Commission on its functions.

<sup>115</sup> Queensland Health licences private hospitals. To be licensed, private hospitals must meet a number of standards that relate to clinical governance which are described in Chapter 9 and this is regularly audited. The immediate focus should be on the public system with monitoring of the private system progressively implemented. The timeframe for this should be negotiated with the private sector.

*Parliamentary Committee*

A parliamentary committee should be established to monitor and review the operations of the Health Commission to ensure that the Commission is performing its functions as intended. Chapter 9 describes the role of the parliamentary commission in more detail.

*Performance audits conducted by the Auditor General*

The Auditor General should conduct performance audits of the health system. This audit should identify what services have been provided and what outcomes achieved with the funding provided. The Auditor General should have regard to the adequacy of the indicators being used to monitor and assess performance, the systems that are in place to monitor performance and the level of outcomes achieved compared to interstate benchmarks.

Diagram 13.1 presents the recommended monitoring and reporting arrangements.

The implementation of these four arrangements will reassure the public that the performance of the health system is being closely monitored and that the performance information available is unfettered.

### **13.4.3 The information on health system outcomes that should be public**

Information on the performance of the Queensland public health system in achieving health system outcomes should be made available to staff and the community. This will inform all parts of the system as to how each part is performing relative to the whole and will inform local communities about how their system is performing relative to the whole. It will also provide an avenue for local communities to be informed about the range of services that realistically can be delivered in local communities.

As Diagram 13.1 shows, information on the performance of the health system should be provided to the public on a number of levels:

**District level**

- District Health Councils' annual reports

**Area Health Services level**

- Area Health Services annual reports
- Area Health Councils' annual reports

**Department level**

- Six monthly statewide health service performance report including elective surgery waiting lists (rolled up six monthly Area Health Services reports)
- Annual reports on outputs, aspects of service quality (sentinel events, infection control), trauma
- Biennial reports by the Chief Health Officer on health status and burden of disease.

## External

- Health Commission reports on the implementation of clinical governance systems and the quality and safety of clinical services
- Auditor General performance audits of the Queensland public health system.

## Government level

- Priorities in Progress annual report (health related sections).

**Recommendation 13.1**

The health system outcomes that should be monitored are: health status and health determinants; patient outcomes; health service activity, expenditure and efficiency; workforce, the quality and safety of services, service responsiveness, and health service sustainability.

Health system outcomes should be monitored using a standard set of strategic indicators. The example set of indicators detailed in this report should be used as a guide in determining the appropriate set of indicators. The standard set of indicators include targets and should be reported on at all levels eg Districts to Area Health Services, Area Health Services to Department, Department to Government.

A review of the operational indicators which Queensland Health is required to report against under various funding arrangements should be conducted within 12 months with the aim of negotiating with funding bodies to reduce the number of indicators and report more strategically.

The administrative burden associated with performance monitoring and reporting against all performance indicators (ie strategic and operational) should be minimised by automating systems where possible.

**Recommendation 13.2**

The performance monitoring and reporting system should comprise:

- the use of performance agreements with District Managers and Area Health Service General Managers and Central Office senior executives
- monthly reports and participation in a six monthly interactive performance review process for Health Service Districts and Area Health Services
- quarterly reports to Director-General for Central Office for the first year then participation in six monthly interactive performance reviews
- community review through District and Area Health Councils' comment on monthly and six monthly performance reports
- independent regular review and reporting by the Health Commission on the implementation of clinical governance systems and the quality and safety of clinical services, and the Auditor General on the performance of the health system
- external oversight of the Health Commission by a parliamentary committee.

**Recommendation 13.3**

A six monthly statewide health service performance report should be published including elective surgery waiting lists, annual reports on outputs, aspects of service quality (sentinel events, infection control) and biennial reports by the Chief Health Officer on health status and burden of disease.

The public should have access to external reviews of the performance of the health system including annual reports by District Health Councils and Area Health Councils. The independent Health Commission should publish reports on the implementation of clinical governance systems and the quality and safety of clinical services and the Auditor General should report on the performance of the Queensland public health system.

**Diagram 13.1 Recommended monitoring and reporting arrangements**

