

# Our performance

# 4

## Financial highlights

The Sunshine Coast Hospital and Health Service has achieved an operating surplus of \$0.96 million for the year ending 30 June 2016, representing a \$1.79 million turnaround from FY2015 (\$0.83 million deficit) and a 0.1 per cent variance against its revenue base of \$826.62 million. This was largely achieved through a combination of prudent fiscal management and other non-cash revenue gains, predominantly land revaluation, offsetting previous year land revaluation decrements. The result is particularly pleasing and includes a 5.3 per cent increase in activity growth over the last 12 months. In 2017, the opening of the new Sunshine Coast University Hospital will present additional fiscal challenges with the necessity to efficiently monitor and manage a larger cost base.

### Operating result

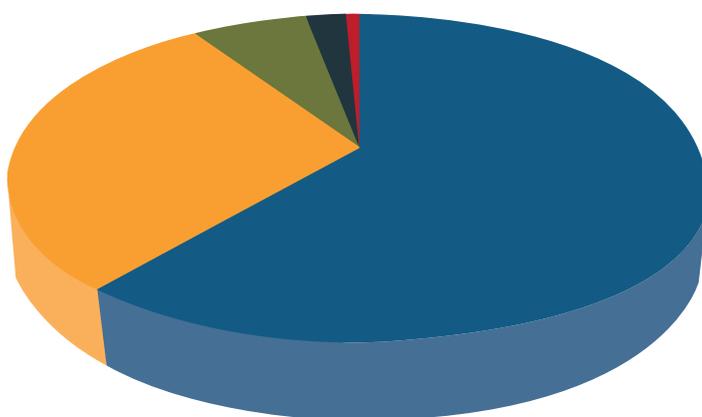
**Table 14: Operating position**

High Level Operating Result for the year ended 30 June 2016	\$'000's
Operating income	826,624
Operating expenditure	(825,663)
Net surplus from operations	961

### Operating income

The following chart shows the major sources of total operating income by percentage, with the Queensland State Government (predominately the Department of Health) being the largest funder of total operating income.

**Graph 15: Income by category**

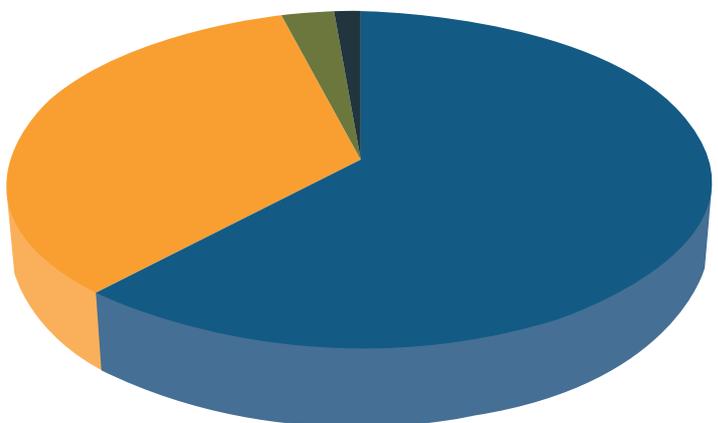


- Queensland State funding 61 per cent
- Commonwealth funding 29 per cent
- User charges 7 per cent
- Grants and contributions 2 per cent
- Other revenue 1 per cent

### Operating expenditure

The following chart shows the major parts of total operating expenditure with labour and employment related expenses being the largest component.

**Graph 16: Operating expenditure**



- Labour and other employment costs 62 per cent
- Supplies and Services 34 per cent
- Depreciation and amortisation 3 per cent
- Other expenses 1 per cent

**Table 15: Balance sheet**

High level balance sheet at 30 June 2016	\$'000's
Current assets	117,237
Non-current assets	290,294
Current liabilities	(60,619)
Non-current liabilities	-
Net assets (equity)	346,912

## Cash and investments

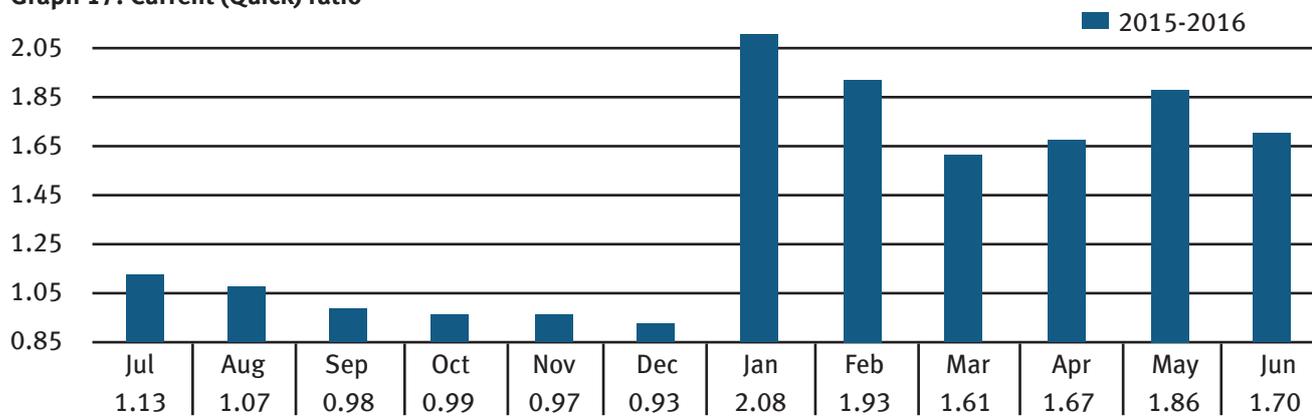
At balance date, the health service had \$71.0 million in cash and investments. This balance is largely a result of the unspent portion of funding received for information and communications technology assets as part of the start-up of the new Sunshine Coast University Hospital, and the timing of payables including payroll. Depreciation is not cash funded however investment in non-current assets is.

## Financial ratios

### Sustainability:

Current (Quick) ratio: At 30 June, 2016, the current (Quick) ratio was 1.70. This means for every \$1.00 of current liabilities payable SCHHS held \$1.70 in cash and receivables. The increase in the current ratio in January 2016 was due to the receipt of \$57.0 million for expenditure on information and communications technology assets for the new Sunshine Coast University Hospital.

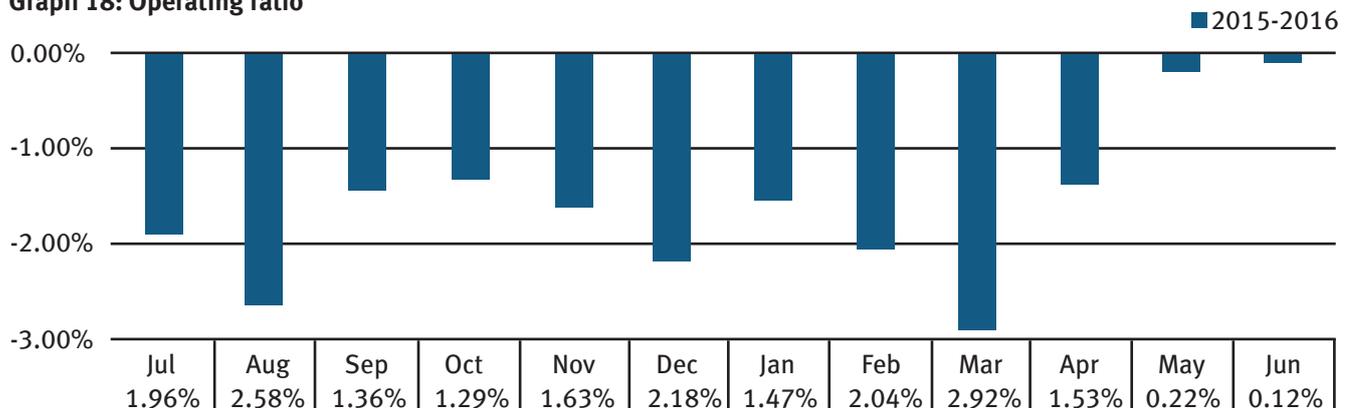
Graph 17: Current (Quick) ratio



## Operating Ratio

The operating ratio indicates the extent to which operating revenues cover operating expenses. A higher ratio indicates a better growth capacity to meet current and future operating and capital expenditure obligations. The table below shows the YTD operating ratio for the health service which reflects the FY16 surplus position of \$0.96 million.

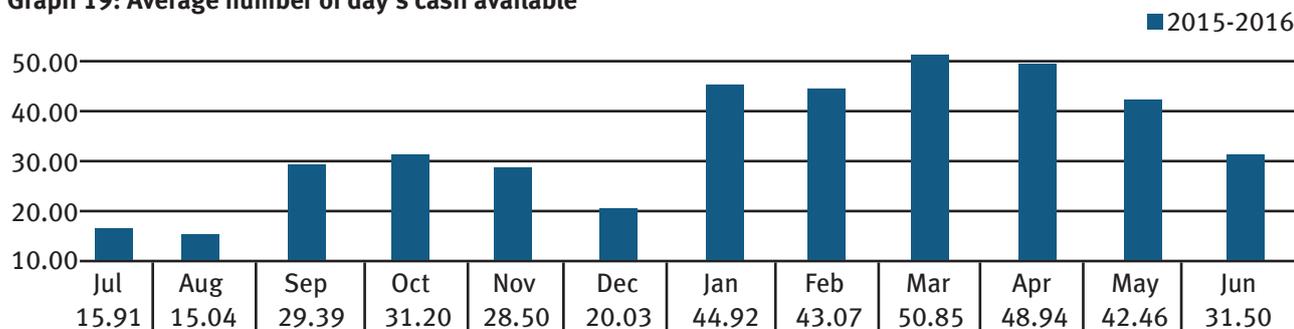
Graph 18: Operating ratio



### Average number of days cash available

Average number of days cash available measures the number of days of operating expenses that an entity could meet from its cash on hand at the end of the month. As at balance date SCHHS has cash available to cover 31.5 days of operating expenditure. The current target adopted by the HHS is to have cash holdings equivalent to at least 14 days of operating cash outflows. The increase from January 2016 is due to larger cash balances held to cover the increased in cash outflows from purchases being made for the new Sunshine Coast University Hospital.

Graph 19: Average number of day’s cash available



The Sunshine Coast Hospital and Health Board establishes the organisation’s strategic agenda and monitors its performance in the delivery of quality health outcomes.

We measure our success by our ability to achieve the objectives set out in our Strategic Plan 2013-2017. The Sunshine Coast Hospital and Health Service performance is also monitored through a Service Agreement with Department of Health and is underpinned by a performance framework.

### Delivering our services

In 2015-2016 the health service delivered increased services to our growing population. The tables below provide information on the volume of services provided.

### Service Delivery Statement

Our performance against the Service Delivery Statements as set out in the State Budget 2015-2016 is outlined on page 42.

**Table 16: Service Delivery Statement**

	Notes	2015/16 Target/Est	2015/16 Est Actual	2015/16 Actual
Percentage of patients attending emergency departments seen within recommended timeframes:	1			
Category 1 (within 2 minutes)		100 per cent	100 per cent	100 per cent
Category 2 (within 10 minutes)		80 per cent	80 per cent	80 per cent
Category 3 (within 30 minutes)		75 per cent	62 per cent	63 per cent
Category 4 (within 60 minutes)		70 per cent	67 per cent	67 per cent
Category 5 (within 120 minutes)		70 per cent	86 per cent	87 per cent
All categories		-	68 per cent	68 per cent
Percentage of emergency department attendances who depart within four hours of their arrival in the department	2	90 per cent	77 per cent	76 per cent
Median wait time for treatment in emergency departments (minutes)	3	20	22	21
Median wait time for elective surgery (days)	4	25	28	25
Percentage of elective surgery patients treated within clinically recommended times:				
Category 1 (30 days)		>98 per cent	95 per cent	95 per cent
Category 2 (90 days)		>95 per cent	97 per cent	96 per cent
Category 3 (365 days)		>95 per cent	99 per cent	99 per cent
Percentage of specialist outpatients waiting within clinically recommended times	5			
Category 1 (30 days)		-	82 per cent	84 per cent
Category 2 (90 days)		-	51 per cent	52 per cent
Category 3 (365 days)		-	73 per cent	78 per cent
Average cost per weighted activity unit for based funding facilities cap	6	\$4689	\$4838	\$4547
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	7	≤2.0	0.4	1.2
Number of in-home visits, families with newborns	8	-	-	4065
Rate of community follow-up within 1-7 days following discharge from an acute mental health inpatient unit		>65 per cent	62.9 per cent	65 per cent
Proportions of readmissions to an acute mental health inpatient unit within 28 days of discharge	9	<12 per cent	9 per cent	12 per cent
Ambulatory mental health service contact duration (hours)	10	>64,500	67,109	67,780
Percentage of specialist outpatients waiting within clinically recommended times				
Category 1 (30 days)		-	82 per cent	84 per cent
Category 2 (90 days)		-	51 per cent	52 per cent
Category 3 (365 days)		-	73 per cent	78 per cent

	Notes	2015/16 Target/Est	2015/16 Est Actual	2015/16 Actual
<b>Total weighted activity units</b>				
Acute inpatient		69,630	72,797	71,573
Outpatients		12,888	13,040	14,080
Sub-acute		5471	4381	6010
Emergency department		15,304	14,908	16,542
Mental health		8403	7376	8511
Interventions and procedures		11,380	11,170	11,321

## Notes:

1. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2015-2016 are based on the Australasian Triage Scale (ATS). The 2015-2016 Target/Est. Aligned with the National Emergency Access Target The 2015-2016 actuals are based on health service facilities using then emergency department information system (EDIS) and therefore do not include Maleny Soldiers Memorial Hospital.
2. The 2015-2016 Target/Est. Are set as the midway point between the calendar years. The 2015-2016 Target/Est. Aligned with the National Emergency Access Target. Sunshine Coast Hospital and Health Service has seen an increase in presentations above 2013-2014 which has impacted the achievement of this target. . The 2014-2015 actuals are based on health service facilities using then emergency department information system (EDIS) and therefore do not include Maleny Soldiers Memorial Hospital.
3. There is no nationally agreed 2015-2016 Target for this measure. Work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the government's priorities and the Service Agreements with the hospital and health services. The 2015-2016 actuals are based on health service facilities using then emergency department information system (EDIS) and therefore do not include Maleny Soldiers Memorial Hospital.
4. There is no nationally agreed 2015-2016 Target for this measure. Work in relation to the setting of new targets/measures is currently being investigated to ensure an appropriate target is set in line with the government's priorities and the Service Agreements with the hospital and health services.
5. This target/measure has changed for 2016/17 to % Seen within Clinically recommended times. There is no update on the Outpatient Long Wait Strategy. The Actual figures provided are based on actual performance as at July 1 2016.
6. 2015-2016 Target/Est. Was calculated as per the Blueprint Value for Money indicator methodology, excluding Site Specific Grants and Clinical Education and Training.
7. Staphylococcus aureus are bacteria commonly found on around 30per cent of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. For this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
8. This measure has been discontinued in 2015-2016 due to limited confidence in the data and a recommendation towards a shift away from counting to a comprehensive postnatal service with measurement of clinical outcomes.
9. Queensland has made significant progress in reducing readmission rates over the past 5 years. This represents performance above the nationally recommended target.
10. The 2015-2016 Target/Est. Is set via a standardised formula, based on available clinical hours, hospital and health service rurality, and historical perform.

## Performance against strategic objectives

The 2013-2017 *Sunshine Coast Hospital and Health Service Strategic Plan* set the strategic objectives to guide the work of the health service in a period of anticipated growth and change.

We are committed to fundamentally changing and enhancing health care delivery across our region, including the establishment of the new Sunshine Coast University Hospital as a key part of our services from 2017 onwards. A major consideration during the life of the strategic plan, has been planning for, and transition of the health service through the reconfiguration of the health service to take into account this major new facility.

During this time of change, guided by the strategic plan, the health service has been able to deliver continual improvement to more people than ever. In 2015-2016 more than 121,000 patients presented to our emergency departments and almost 10,000 elective surgeries were performed, both representing record figures for the region.

The health service is committed to providing high quality health care to our community by being a responsive, efficient and person-centred health care service. Innovation and improvement are essential elements that drive us forward and this is underpinned by an expanding emphasis on research and education.

We remain firmly focussed on our vision of health and wellbeing through exceptional care. This has been exemplified through the achievement of the strategic objectives as outlined in our Strategic Plan 2013-2017 (updated 2015).

### The strategic objectives are:

**Objective 1**—Care is person-centred and responsible

**Objective 2**—Care is safe, accessible, appropriate and reliable

**Objective 3**—Care through engagement and partnerships with our consumers and community

**Objective 4**—Caring for people through sustainable, responsible and innovative use of resources

**Objective 5**—Care is delivered by an engaged, competent and valued workforce.

### *Care is person-centred and responsive*

The health service works to ensure patient and family/care-givers are recognised and engaged as partners in attainment and maintenance of good health. We actively encourage consumer participation at all levels in service planning, design and health service evaluation. This is achieved in many ways that comprehensively span all consumer groups across demographic, geographic and diagnostic dimensions. We emphasise patient-centredness in our staff

education programs, conduct patient experience surveys, facilitate online consultation with consumers and carers, and through the adoption of live electronic survey tools we collect anonymous consumer and staff feedback at the point of care. Over the past year we undertook several local patient experience surveys. The outcomes of some of these engagement strategies include:

- The introduction of an information bedside brochure. This initiative was a direct outcome of consultation with consumers and carers pertaining to availability of important patient information. This information is used by patients during their stay in hospital.
- The introduction of hot meals in the rehabilitation assessment unit, and consumer input in the development of the menu selection for the new hospital. These service improvements were a result of patient experience surveys and other consumer engagement opportunities.

We continue to work on and develop new ways to gather the information needed to ensure that care is person-centred and responsive. Wishlist (the Sunshine Coast Health Foundation) granted \$65,000 to fund a paediatric patient experience survey tool, supported by a research project, to collect service feedback from children, assist with research projects, and to drive quality improvement.

Also, after a successful pilot in 2015-2016, the health service has now adopted live electronic survey tools to collect anonymous consumer and staff feedback at the point of care (patient experience trackers or PETs) for use throughout the health service. Data from the devices is automatically collated daily, and presented back to the unit or ward from which it was gathered. The data collected in this innovative way is easy to interpret and provides information to act on in a timely and targeted manner.

The health service's emphasis on providing care that responds to patient needs continues to be reflected in the introduction of initiatives as well as innovative services that improve the experience of our patients specifically, over the past 12 months a number of initiatives have been implemented to improve the experience of our patients and their families. These include:

- The introduction of Nurse Navigators. This is a new case-management service to help patients navigate their way through complex healthcare needs and medical appointments. The Maleny and Gympie communities are now benefiting from nurse navigators, who focus on coordinating a patient's health care journey particularly across the interface between the primary and acute health sectors and on meeting every patient's comprehensive health needs. The Nurse Navigator service provides end-to-end care coordination for patients with the greatest health care needs.

- The Nambour General Hospital Wellness Garden, a new place to rest in nature's surroundings;
- Maleny Soldiers Memorial Hospital Walk of Remembrance and gazebo;

Two major Queensland Health state-wide surveys were undertaken. Sunshine Coast Hospital and Health Service results compared favourably, providing reassurances about the patient-centredness strategies pursued. An overview of the results is as follows:

- In the 2015 Queensland Health Emergency Department Patient Experience Survey, on average, more than 84 per cent of patients rated their emergency department experience at the health service as very good or good.
- In the 2015 Queensland Health Maternity Outpatient Clinic Patient Experience Survey, the rating of maternity outpatient care received at Nambour and Gympie hospitals was above the Queensland average in both cases. The hospitals received overall favourable ratings of 92 and 93 per cent respectively. Our maternity services also received above the Queensland average ratings specifically with regard to interactions between the patient and health professionals. Patients rated highly the health professional's ability to communicate.

### ***Care is safe, accessible, appropriate and reliable***

The provision of appropriate health services is reliant on robust planning to anticipate demand based on our population demographics and any specific needs of the community we serve.

Significant demand and capacity modelling has been undertaken in preparation for the transition to and commissioning of the Sunshine Coast University Hospital. These models reflect the configuration of services and facilities across the whole health service, ensuring that the future services provided will have been designed to best fit the predicted demographic and community needs.

An area of particular emphasis has been on the ambulatory care services where we continue to work in partnership with the community and other health service providers to continually improve integration across the complex health systems. We use evidence-based practice to identify the care that can safely and cost effectively, be delivered in ambulatory care settings. This includes outpatients, telehealth, community and primary care, and more recently at home, in the context of the popular and expanding Hospital in the Home program.

The Hospital in the Home program provides home-based acute care as a substitute for people who would otherwise need to be in hospital. The level of care is comparable as would be received in hospital, however it is provided in the comfort

of the person's home and only in situations where it is safe to do so. The most common conditions able to be managed under this program include skin infections, thrombosis and thrombo-embolism (sometimes referred to as blood clot/s in the legs or lungs), pneumonia and chest as well as urinary tract infections. The subcutaneous immunoglobulin program is another innovative ambulatory program that has experienced continuous growth over the year, enabling home-based treatment for patients. This program has reduced in-hospital episodes of care and has overwhelmingly improved patients' quality of life.

The use of telehealth has increased significantly within the health service during the past year (1846 services this financial year compared with 714 in the previous year). New services have been developed for the community. Telehealth allows patients to interact with health care professionals without the need to travel. The technology thus alleviates the burden of travel and increases access to medical services particularly for patients living in rural areas.

The care of our patients is constantly being monitored and assessed. The annual state-wide Queensland Bedside Audit (QBA) has a particular focus on patient safety and therefore assists in ensuring that care is safe and reliable. The QBA has also served as the main driver behind change in a number of key areas such as falls management, nutrition and pressure injuries. Last year, the outcomes were analysed and recommendations were produced to foster quality improvement in patient care throughout the health service.

For the past three years, the health service has scored 100 per cent for the provision of appropriate pressure relieving devices for patients identified at risk of developing pressure injuries and for those patients with a pressure injury already present. In addition, the health service had a lower prevalence rate for hospital acquired pressure injuries than the state-wide average.

In addition to our increasing use of Telehealth technology, at Sunshine Coast Hospital and Health Service we have sought to maximise the use of technology to connect care provided by different health professionals. A major program of investment in new ICT systems has been undertaken in the past year and is being implemented for the Sunshine Coast University Hospital and other facilities throughout the health service.

Systems include a new Radiology Information System, Patient Flow Manager and Stage 1 of our electronic medical record system. These systems, when implemented fully will have contributed significantly to integration of care and to optimal patient outcomes.

### ***Care through engagement and partnerships with our consumers and community***

The Sunshine Coast Hospital and Health Service is committed to the philosophy of 'working with' rather than 'doing to' people. We involve consumers (patients, carers, family members) and the community in the planning, design, delivery and evaluation of our hospital and health services, contributing to more efficient and effective health care delivery.

The health service has been proactive in partnering with consumers and community, developing governance procedures to enable the following:

- The establishment of a Consumer Advisory Group that meets every two months to discuss and inform health service issues.
- Operation of a consumer engagement register that has enabled recruitment of more than 100 consumers who wish to assist the health service on its journey to client-centred and client-engaged health care. These consumers have provided feedback through various means, including as committee members and also through focus groups including: end of life care; patient safety and quality; antimicrobial stewardship; mental health and addiction services; maternity and neonatal services, rehabilitation, major trauma, renal services, cancer care and diabetes.

It is important that our consumers who advise and inform us are given the skills and training to optimise the benefit of their involvement. Recently we partnered with Health Consumers Queensland to provide training for Sunshine Coast Hospital and Health Service consumers.

Relationships are continuously being built and deliberately fostered with a wide range of health service providers and other stakeholder organisations in the region. Work is underway for the health service to work in collaboration with the Primary Health Care Network (PHN) in the development of a health care needs analysis to develop future rural healthcare service models that improve access to primary care. This work will build upon the significant collaboration between the health service and the PHN that has resulted in significant improvements in the way health care is delivered on the Sunshine Coast, during the 2015-2016 year. A good example is the SpotOn project which facilitates ambulances with suitable patients being transferred for care to a General Practice clinic, close to the patient's place of residence.

In the quest to strengthen the capacity of the aged care sector to deliver high quality aged care and to improve care for older persons in the Emergency Department (ED), staff at the Nambour General Hospital's ED have partnered with the University of the Sunshine Coast and the Sundale

Residential Aged Care Services to improve the care of nursing home residents who develop acute illness. CEDRIC (Care coordination through Emergency Department, Residential Aged Care and Primary Health Collaboration) is an innovative model of service delivery for people in residential aged care who experience an episode of acute illness.

Working with other organisations in our community has led to:

- Successful high school engagement programs, including a specialised alcohol and risk-related trauma program (P.A.R.T.Y.) and a young person's cultural healing program which was developed to identify risk factors to the wellbeing of Aboriginal and Torres Strait Islander youth within our community.
- The formation of a partnership arrangement for the Sunshine Coast Health Institute. It is a joint venture between the health service, University of the Sunshine Coast, TAFE Queensland East Coast and a medical school.
- Delivering better access to health information and referral guidelines to general practitioners in partnership with the local PHN.

In accordance with its ethos of partnering with the community, Sunshine Coast Hospital and Health Service considers that it is important to ensure the community is kept informed of the services provided, particularly during this period of change and fast progress towards the opening the Sunshine Coast University Hospital. Consumer-focused information sheets have been produced and published providing information for patients and the community articulating the reconfigured services to be provided at each facility after the opening of the new hospital.

### ***Caring for people through sustainable, responsible and innovative use of resources***

The Sunshine Coast Hospital and Health Service seeks to maximise the value obtained from our resources for health and care through the optimal and innovative use of resources. This is also achieved through continual review and improvement of all our processes. Some of the areas in which we have shown significant improvement during the year are outlined below.

#### ***Consistency of approach to improve processes***

- Lean Six Sigma methodology has been used throughout the service to ensure a consistent approach to quality improvement and redesign activities that reduce preventable harm, reduce waste and improve patient experience. Furthermore, there has been a recent re-design of the Clinical Audit Schedule using the principles of Lean Six Sigma, to reduce waste and increase efficiency.

### *Process improvement*

- The implementation of information systems that support quality safety and risk management activities has been improved by identifying, monitoring and responding to risk and important aspects of care.
- Risk management practices are embedded into health service business planning and decision making. The first Sunshine Coast Hospital and Health Service risk appetite statement, approved in December 2015, has provided guidance on the way the health service should manage risks in a structured and planned manner. Looking forward, this will enable the establishment of operational thresholds / tolerance levels and alignment with performance targets and further embed risk management into our business planning and decision making processes.
- A comprehensive health service-wide review of system processes such as committee structures, legislative compliance and recalls and safety alerts was undertaken leading to improved communication, consistent processes and elimination of inefficiencies.
- Multiple systems and processes were amalgamated into a single centrally coordinated register and process for all device and pharmaceuticals recalls and safety alerts, significantly enhancing patient safety.

### *Innovation*

Sunshine Coast Hospital and Health Service has continued to place high degree of emphasis on innovation. Service performance and provision has continued to be routinely reviewed highlighting priorities for service redesign. An example of significant service planning and redesign includes Outpatient Services Reform which will result in more responsive outpatient service to patient needs.

A comprehensive resource review and detailed analysis was undertaken in 2015-2016 in preparation for the transitioning of the health service in regard to planned changes to services across the health service, including the opening of the Sunshine Coast University Hospital and resulting changes to Nambour General Hospital and to Caloundra Health Service. This review was undertaken in the context of the new, enhanced models of care to be in place once the Sunshine Coast University Hospital is commissioned. Development of the models of care will have resulted in approaches to health care provision that use innovative approaches, particularly in regard to ambulatory care.

Process improvement initiatives have been instigated to improve assurance and risk mitigation around the extensive recruitment activity needed for change to the health service and the control of resources needed to support these changes.

### ***Care is delivered by an engaged, competent and valued workforce***

Our workforce is our most valued asset as we rise to meet the challenges of future health needs. The health service strives to achieve a culture of learning through ground breaking educational practices which generate highly knowledgeable and dedicated employees. Some examples of professional development initiatives helping build our competent and dynamic workforce include:

- The innovative amalgamation of nursing and allied health education professionals into one unified practice development team
- Simulation-based training with actors re-creating real-life scenarios to advance medical and allied health professional skills
- Development of the online Learning Management System (LMS).

During the transition period leading up to the move to Sunshine Coast University Hospital, the workforce needs are growing at a rapid pace. Comprehensive planning has been undertaken to manage this through a range of recruitment and retention strategies.

Preparation for the opening of the Sunshine Coast University Hospital is paramount, in order to ensure staff are fully prepared to work in a health service with significantly increased complexity.

- Detailed models of care and resultant service unit profiles to guide operations of services in the new hospital have therefore been developed and formalised. The profiles provide full details of how the services will function/operate in the health service, including staffing requirements, budget and communications procedures. Plans demonstrate links and integration points between various services. This planning has provided the opportunity to map staff development priorities. These priorities are now being actively addressed through educational interventions and through specifically tailored recruitment practices.
- Validation of new work areas (how the unit or service area will be set up and operated), is underway to ensure that staff and services have the equipment, knowledge and skills they require, and are ready for safe service commencement.