

Ref: DT17/79465

Ms Kerrie Seymour
Organiser,
Australian Salaried Medical Officers Federation
kerries@asmof.org.au

Dear Ms Seymour

I refer to our discussion at the Illawarra Shoalhaven Local Health District (ISLHD) Joint Consultative Committee on 15 June 2017 regarding the Community Health Review currently underway.

I do apologise for not advising you ahead of the announcement of the review it was an oversight on my part. As discussed at the meeting, Price Waterhouse Coopers (PWC) has been appointed to assist in undertaking the review. The intention of the Community Health Review is to examine how community-based services respond to the introduction of National Disability Insurance Scheme (NDIS) and new funding models for community based aged care; how services can better integrate with core hospital services; and reviewing of the governance and costing to ensure quality and efficient services.

A range of staff will be interviewed to help inform the review and two half day workshops with staff will also be conducted. As the timelines are tight staff unable to attend the workshop can also email any ideas, issues or concerns to their line managers or to me directly.

Please find the following documents attached:

- Communications from the ISLHD Chief Executive, Ms Margot Mains regarding the Community Health Review
- The Proposal

If the outcome of the Community Health Review proposes any changes to the structure or governance of ISLHD services then I will arrange a meeting to discuss with you. Again I would like to apologise for not advising of this sooner.

Should you require any further information, please do not hesitate to contact me on 4221 6827.

Yours sincerely



Caroline L Langston
**Executive Director Integrated Care,
Mental Health, Planning, Information and Performance**

Date: 23/06/2017

Attachments:

Communication regarding the Community Health Review
Proposal document



Message from Margot

Review of community health services to commence shortly

Dear colleagues,

The collective aim of all of us who work in health is to provide the highest quality care with patients and clients at the centre of everything we do; this includes services both in our hospitals and in the community.

The landscape of delivering healthcare services in the community is currently undergoing significant change across Australia with the introduction of new models of care and support processes. This includes the introduction of the National Disability Insurance Scheme (NDIS), new funding models and the increased use of technology. Delivery of care in the community is also shared across a mix of public, NGO and private agencies.

This changing landscape provides the District with a timely opportunity to review our services, and the processes we use in the delivery of healthcare in the community setting. We want to ensure that we are providing appropriate, timely and effective care so to look at this, a review will be undertaken by Price Waterhouse Coopers (PWC). This review will bring together information on best-practice models, service data and information from staff and stakeholders across the District.

Services in scope for the review are:

- All Ambulatory and Primary Health Care services
- Public Health Unit
- Community based early childhood services
- Community based aged care services funded by NSW
- Community based chronic disease nursing services

The relationship between these services and District's Hospital in the Home (HITH) services will also be considered.

Our Executive Director Integrated Care, Mental Health, Planning, Information and Performance, Caroline Langston, will be leading this process and will work closely with everyone involved. The full scope of the review will be made available shortly. The review will commence in the next fortnight and is expected to be complete within 8 to 10 weeks.

I look forward to the opportunity to look at ways of enhancing the delivery of services we provide to our community.

Kind Regards

Margot Mains
Chief Executive



Community Based Health Services

Building the future model

*Illawarra Shoalhaven
Local Health District*

*Future of Community
Based Health Services*

May 2017

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1 Our understanding of your requirements

1.1 Case for change

The Australian health and social care landscape is going through a period of continued reform and policy change. Increasing pressures on the health system due to an aging population and increasing rates of chronic disease place a greater demand and larger cost burden on hospitals and health care providers. At the same time, significant Commonwealth reforms, such as the introduction of the National Disability Insurance Scheme (NDIS) and *Living Longer Living Better* reforms in aged care are changing the way care is structured and delivered. Although these reforms towards consumer directed care are occurring at the Federal level, there are implications for Local Health Districts (LHDs).

To better manage demand for health care into the future and enable LHDs to meet these challenges, there is a growing focus on more effective use of public health services. This includes a shift towards care delivery in community based settings coupled with significant investment into expanding sub-acute services to reduce the demand placed on hospital care. This also includes working in partnership with Primary Health Networks (PHNs), other NGOs and consumers in the primary care sector to better support hospital avoidance alternatives, shift healthcare to the “left” and shift the focus towards prevention and early intervention. These transfers in how care is delivered are encouraging forward thinking LHDs to take an in-depth look at their role in delivering care in the community and how this will impact their strategic direction.

1.2 Your requirements

It is our understanding that the Illawarra Shoalhaven Local Health District (ISLHD) will be undertaking a proactive review of services, functions and finances within community based health services to determine how it will align to the broader strategic direction of the LHD.

Over the past two years, PwC has been asked to help multiple LHDs address the fundamental question of the role of the LHD in the provision of community based health services. As ISLHD embarks on defining its future strategic direction, it is an opportune time to refresh and strategically position community based health services in line with broader LHD strategic priorities and direction.

We understand that ISLHD has a number of key questions to answer which would form the basis for PwC’s support. This work would seek to consolidate all of the information collected and present an early view on future form.

Considerations described below are:

- ***Key question 1 – Intent:*** Where do community based health services fit within the ISLHD strategy over the next five years?
- ***Key question 2 – Finance and resources:*** What is the current financial performance and resourcing model of community based health services and how sustainable will it be for the future fit?
- ***Key question 3 – Future structure:*** How could community based health services be best devised to support the future purpose and objectives?

Note: While previous discussions with ISLHD indicated that consideration of the enabling functions required to support the future direction of community based health services would be included, we have noted that this has not been included in the Request for Proposal (RFP). We have therefore excluded this from our methodology, however we would be open to discussing this with you.



Where do community based health services fit within the ISLHD strategy over the next five years?

In the context of internal and external forces, this review would seek to:

1. Following the ISLHD Board setting the strategic intent, establish the purpose of community based health services over the next five years including the role of NDIS and Commonwealth-funded aged care*.
2. Identify the gaps between the current and future state, exploring existing arrangements, structure, population need, funding, functions and value creation against best practice.
3. Identify what is core and non-core to future strategic purpose. This assessment would include exploring the potential of working in partnership and/or alternative providers of service external to the LHD. ISLHD can consider what it might continue to build, what it might buy in from NGOs and where it might partner/share capacity and capability to deliver services in the future. All services will be reviewed from the perspective of current and future partnerships.

*We note that PwC has recently worked with NSW Health and ISLHD to understand Commonwealth funded aged care finance and activity – the outputs of this work would be utilised for this new assignment.



What is the current financial performance and resourcing model of community based health services and how sustainable will it be for the future fit?

In addition to establishing the strategic intent of community based health services over the next 5 years, this review will also seek to understand the current operational state of community based health services. This component of the review would assess:

1. The current levels of activity undertaken by community based health services including areas such as NDIS, aged care*, chronic disease management, community nursing and allied health, population and public health, child and family, women's health, youth health, aboriginal and multi-cultural health, interpreters program, sexual health, sexual assault, domestic violence, child protection services, JIRT, family violence and offenders program.
2. The current cost of funding the activity and the identifying funding sources.
3. The resourcing model supporting delivery of the community based services from both an FTE and structural perspective.

*We note that PwC has recently worked with NSW Health and ISLHD to understand Commonwealth funded aged care finance and activity – the outputs of this work would be utilised for this new assignment.

**We note that ISLHD is currently reviewing the sub-acute (rehabilitation, palliative care) model of care across the whole district.



How could community based health services be best devised to support the future purpose and objectives?

In the context of the LHD's strategic direction, future funding models and reform, this review could support you to determine:

1. What are the principles that underpin the future structure and operating model for community based services?
2. What conceptual structure and organisational design will best deliver this model?
3. How will clinical and corporate governance will work at a high level in this new structure?
4. How the revised conceptual structure could best create synergies and integration?

The areas that we discussed that are out of scope at this stage are:

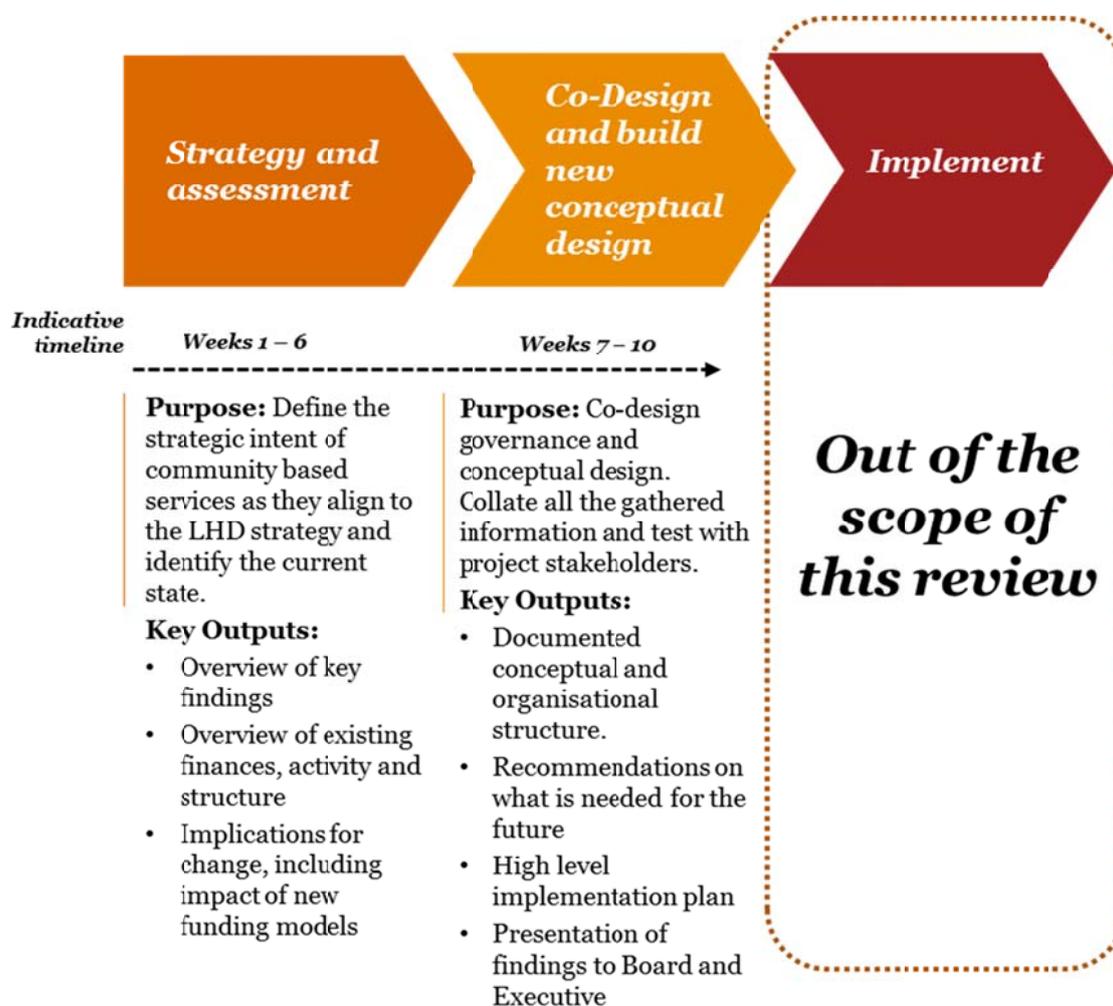
- Community Mental Health (apart from where it interfaces with NDIS).
- As a detailed review of HITH services has recently taken place, it will be unnecessary to repeat this work, however it will be important to consider the relationship between HITH and the in-scope services.
- A detailed quality review of all services in the community based health portfolio.
- Implementation of the proposed recommendations and key findings from phases 1 and 2.

2 *Scope, Approach and Deliverables*

Our proposed approach, illustrated below, features a three staged approach that incorporates not only the requirements articulated in the previous section, but also what we would typically expect the following phases of work to look like. This proposal only addresses the first two stages of the approach.

We have assumed a start date of the week commencing 22 May. Due to availability of key project team members and then need to build on project findings and validate with key staff members in the stakeholder engagement phase, we have proposed an alternative sequencing of project phases than what was outlined in the RFP. To ensure the project approach and timings meet the needs of ISLHD, we would be happy to discuss this with you.

Figure 1: Summary of proposed approach



2.1 Phase 1: Strategy and assessment

We have outlined below the key activities we will undertake in phase 1.

1. Establish and confirm strategic review objectives: (week 1)

- Determine scope of Strategic Review
- Establish Governance Group
- Schedule Key Informant interviews - draft list to be distributed and likely to include managers of the in-scope community based health services, HITH/PACC stakeholders, LHD executive and other key stakeholders
- Establish interview guide
- Submit data and document request.

Note: We understand that ISLHD would like interviews scheduled with not less than 80% (approximately 30 staff members) of the relevant members of the ISLHD Executive, managers of the in-scope services (and HITH service), ISLHD Divisional leads and other key stakeholders. A consultation of this size would be demanding within the short timelines of this project, so we would recommend that these stakeholders first complete a written template with key questions. We would then work with you to prioritise stakeholders for one-to-one interviews and those that could be conducted through small focus groups.

2. Needs analysis and document review: (*weeks 1-5*)

- Review key community based health services strategy and information documents
- Consolidate external literature: best practice models of community health, NSW and Australian examples of effective practice.

Note: We assume the following in conducting this activity:

- Existing community based health services and how they connect to the LHD and external providers (e.g. NGOs) have been mapped
- Population needs assessment is available to establish geographic and demographic characteristics, health service profile, NGOs, FTE and PHN.

3. Budget and funding model review: (*weeks 2-5*)

- Gather information on how existing community based health services impact on performance and business of the LHD including acute care provision
- Through interview and data request, gather activity, funding and structure data from the Finance Department
- Analyse data gathered and test assumptions and findings with the Finance Department
- Identify additional investment requirements.

Note: We assume the relevant staff are available to liaise with and extract data from throughout the engagement. We also assume that data extraction will occur in a timely manner. Any delays in provision of data will be discussed with you, but may result in project delays.

4. Stakeholder engagement and key informant interviews: (*weeks 5-6*)

- Conduct key informant interviews with staff/stakeholders as agreed with you

- Conduct a workshop with key informants to test findings and develop a strategic direction for future state and our preliminary recommendations.

Note: We understand that ISLHD would like interviews scheduled with not less than 80% (approximately 30 staff members) of the relevant members of the ISLHD Executive, managers of the in-scope services (and HITH service), ISLHD Divisional leads and other key stakeholders. A consultation of this size would be demanding within the short timelines of this project, so we would recommend that these stakeholders first complete a written template with key questions. We would then work with you to prioritise stakeholders for one-to-one interviews and those that could be conducted through small focus groups.

Note: We assume the relevant staff are available to liaise with and extract data from throughout the engagement. We also assume that ISLHD administrative support will be available to assist with arranging interviews/meetings with stakeholders as required.

Output: Consolidated strategy and assess findings: strategic direction (people, process, structure and systems) and current cost to deliver community based health services into a draft report which is presented to the Governance group and potentially to the LHD Executive.

2.2 Phase 2: Co-design and build the new conceptual design

1. Development of recommendations and final reporting: (weeks 7-10)

The Co-design phase include collating all the gathered information and testing this with your team. We will then report and present on findings and high level implementation plan back to Governance Group and other relevant groups such as the LHD executive. The workshop introduced in 2.1.4 would also be included as part of the co-design. Our experience in undertaking this work with other LHDs is to use a 'strengths-based' approach that builds on current practice and seeks to identify best practice rather than a critical analysis assessment. Key to success is that managers and stakeholders build a shared view of the future and in our experience, utilising a strengths based approach facilitates this in a more timely and effective way.

Output: A final report that documents the strength based analysis of current state services and functions; and a high level implementation plan.

2. Facilitated workshops to build out future structure: (weeks 7-10)

We are committed to ensuring the future state design of the community based health services is built through a process of co-design with your staff, recognising the importance of incorporating the voice and experience of your staff. We would envisage holding a workshop in the design phase of work to bring together the views of your staff. Experience with other LHDs has shown us that involving team members in the co-design process is essential to obtaining buy-in to the future design and structure of community based health services, and essential for the change management component of implementation.

- **Workshop:** begin building future state design and structure of the community based health services identifying core versus non-core services and the implications for the future structure.

Output: An additional chapter will be developed in the report described above, which will provide the organisation design principles and a new conceptual design with a high level view of how the organisational structure could be designed for community based health services.

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