



# Leadership in Centralised Systems

# Overview

- > The old SA Health System – prior to 1 July 2008
- > The Reform Vision
- > Establishing SA Health

## Overview (cont)

- > The Health Performance Council
- > Centralisation – context, strengths and successes, challenges and solutions
- > Health LEADS Program

# The old SA Health System prior to 1 July 2009

- > Individual hospital CEOs accountable to individual hospital boards
- > Hospital boards accountable directly to the Minister for Health
- > Service agreements between Department of Health and Hospitals/Regions.

# Leadership Challenges

- > Fragmentation and duplication of planning, funding and governance
- > Numerous individual governance boards
- > Department CE had no authority over the CEOs of hospital/regions - therefore minimal accountability  
eg for implementing reform
- > System Issues: aging population, increasing costs, increasing consumer expectations and difficulties in recruitment and retention of staff

# The Vision

- > A unified, integrated health system for South Australia
- > Improved state-wide coordination and integration of public health services
- > Optimised service delivery
- > A systematic approach to health service improvement
- > Efficient implementation of South Australia's Health Care Plan

# Key Changes

## **New Governance Under Health Care Act**

- > CE of Department of Health has direct responsibility for public health system
- > All Boards abolished
- > Establishment of independent Health Performance Council

# Key Changes: Role of Chief Executive

- > Responsible to the Minister for the overall management, administration and provision of health services
- > Direct responsibility for the administration of incorporated hospitals.

## Key Changes: Regional CEOs

- > CEOs of the 4 regional health services and SAAS report directly to the CE, Department of Health
- > Performance agreements between the CE and CEOs of incorporated hospitals/regions
- > CEOs need to demonstrate:
  - leadership
  - accountability
  - Implementation of systems
- > Key areas of performance agreements with CE:
  1. Financial performance
  2. Safety and Quality/Clinical Governance
  3. Risk Management and Audit
  4. OHS&W and Workers Compensation
  5. Research and Ethics

# Risks of the Centralised Model

- > Lack of community input
- > Amplification of management and/or system errors

# Health Performance Council

- > An independent body providing high-level independent advice to the Minister on the performance of the health system and health outcomes for South Australians
- > Membership is diverse and includes consumers, clinicians, university representatives, a health management expert, and representatives of key sectors e.g. ageing, aboriginal and veterans
- > A key component of the State Government's Health Care Act 2008 in ensuring that the health system is responsive to SA public/community

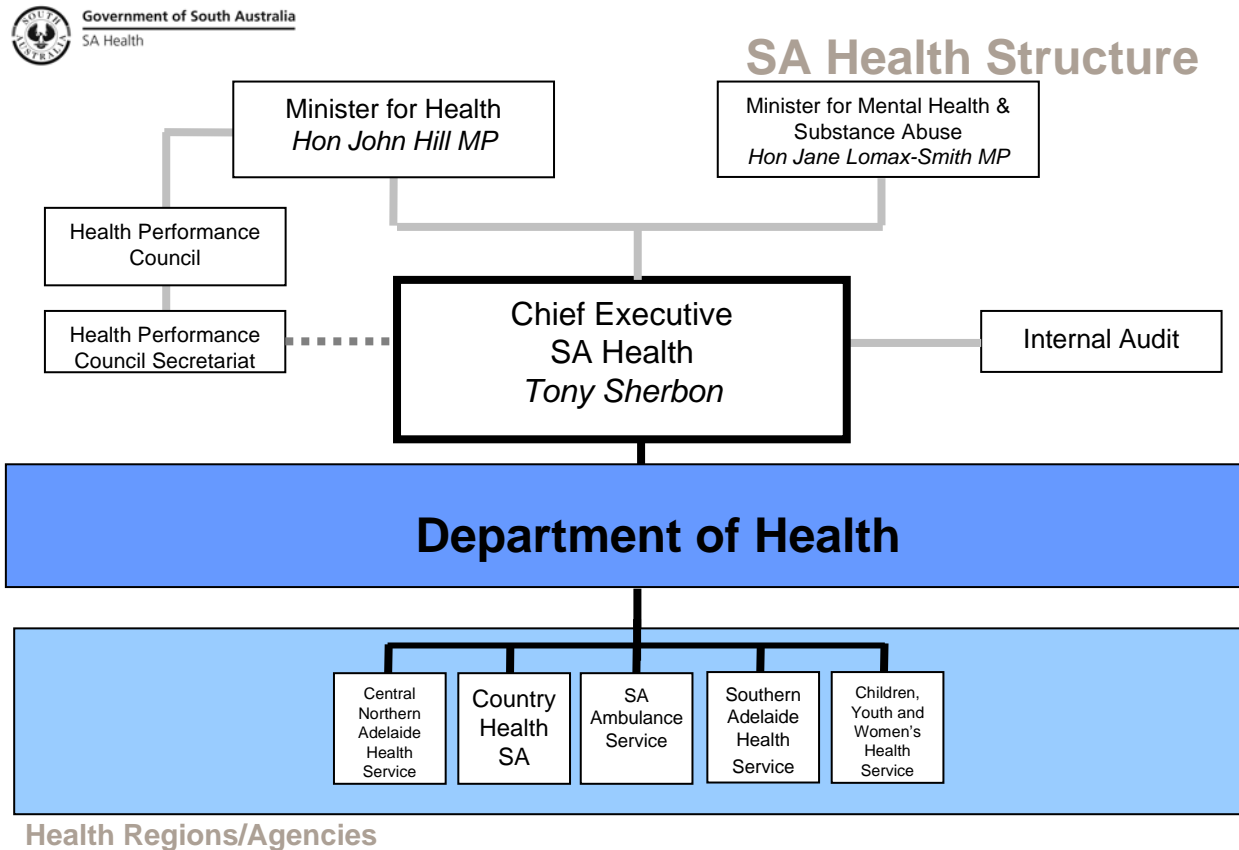
# Health Performance Council

- > Must provide four yearly reports to the Minister assessing the health status of South Australians and considering future priorities for the health system (First report is due end of 2010)
- > Report must also identify significant health trends and review the performance of health systems in achieving the objects of the Health Care Act 2008
- > Reports are tabled in parliament

# Role of the HPC

- > Evaluate and report on :
  - strategic objectives of the health portfolios
  - health system performance standards
  - significant trends, health outcomes and future priorities of the health system
  - best practice models of health care services community and individual engagement strategies and outcomes
- > Provide advice on the effectiveness of engaging communities and individuals in improving their health outcomes
- > Gather information from the Department and the community

# Governance Structure



# Centralisation - Context

- > SA Health operates within a whole of government environment
  - SA Strategic Plan
  - COAG Reforms – significant focus on Health
  - Health Care Agreement – November 2008

# Centralisation – Strengths and Successes

- > Greater consistency across the system
  - better coordinated hospital services
  - responsive health workforce for the future
  - GP plus Health Care Centres
  - more elective surgery
  - less pressure on emergency departments
  - improved management of chronic diseases
- > Centralisation is the vehicle for delivering on these through:
  - SA Health Care Plan
  - SA Health and Medical Research Institute
- > High order strategic policy and planning
- > Deliver services and reform with finite resources

# Centralisation – Challenges at Operational Level

- > Eliminating the ‘them and us’ mentality - regions vs central office
- > Working as “one system” and having clear expectations
- > Two-way communication
- > Understanding operational issues – theory vs practice
- > Determining the decision making balance: autonomy vs central decision making

# Centralisation – Tools to Overcome Challenges

- > Involvement of Regional CEOs in a range of committees
- > Risk Management and Audit Committee

# Building Health leadership

- > Health LEADS program
- > links world-class leadership principles with the vision, goals and organisational context of SA Health
- > Emerging LEADS for emerging managers and future leaders
- > Future LEADS for senior clinical and executive roles

# Where to From Here:

> The next steps



# **Government of South Australia**

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SA Health

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