



HUNTER HEALTH



focusing
on quality
improvement
now . . .
for your
healthy future

Annual Report 1997 ~ 1998

Annual Report 1997/98

Our commitment is to report Hunter Health's performance to our stakeholders in a reader-friendly, relevant, and accountable way. We aim for high levels of candour and disclosure and seek to exceed legislative reporting requirements.

We are committed to benchmarking our annual report performance against best practice using the criteria of the Annual Report Awards.

In the last six years we have won one gold, two silver and three bronze awards for our annual reports.

In line with our focus on managing our resources effectively, we have printed 1000 copies of this report at a cost of \$5.28 each.

Out of concern for our environment, this report is printed on environmentally friendly stock.

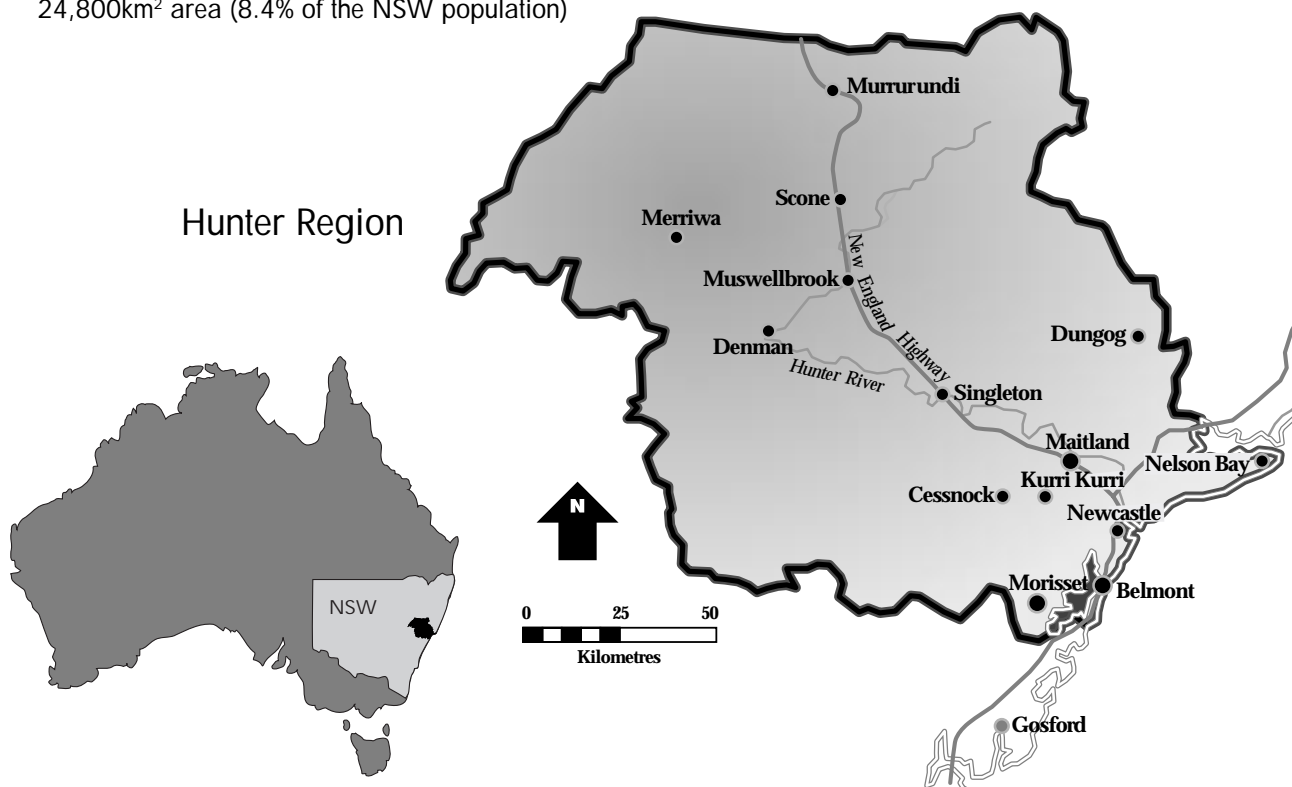
Hunter Health

The Hunter Area Health Service (Hunter Health) was established by an act of State Parliament, the Area Health Services Act of 1986. This Act has since been superseded by the Health Services Act 1997. It is funded by the NSW Government through NSW Health to provide health services to the people of the Hunter.

Hunter Health:

- provides services to over 521,000 people living in a 24,800km² area (8.4% of the NSW population)

- provides public health, health promotion, community health, acute hospital, aged, mental health, rehabilitation and palliative care services
- has an annual budget of around \$400 million
- is the largest employer in the Hunter with over 7,000 full-time equivalent staff.



Access

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Key Values and Principles -

- | | |
|--------------------|-----------------------|
| Quality | Comprehensiveness |
| Cost Effectiveness | Ethical Practice |
| Concern for Staff | Research and Training |
| Integration | Equity |
| Advocacy | Accountability |

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Mission Statement

To improve the health of the people of the Hunter.

Chinese

提高亨特區居民的健康水準

Croatian

Poboljšanje zdravlja žitelja područja Hunter

Greek

Σκοπος μας είναι η βελτιωση Ιγχειας στη περιφερεια του Χαντερ

Italian

Migliorare la salute dei residenti della Hunter

Macedonian

Го подобрува здравјето во Хантер

Polish

Polepszamy zdrowotność mieszkańców regionu Hunter

Serbian

Побольшати здравље у Хантер региону

Spanish

Mejorando la salud de los habitantes en el Hunter

Stakeholders

People who require our care

Visitors

Volunteers/supporters

Visiting practitioners

Health related non-government organisations

Community groups and media

Carers

Staff

NSW Health

Other government departments

Health funds

Suppliers

Focusing on Quality Improvement

The theme for this year's annual report is quality improvement. Hunter Health launched its first round of Quality Awards in August 1996. The Awards are designed to recognise and reward the many contributions made by improvement teams across Hunter Health. Prizes of \$500 are given three times per year with the best project receiving a special award of \$5,000 at the end of each year. The 1998 award will be presented at the inaugural Hunter Health Achievement Awards Forum in November.

Projects are only eligible for a prize if they:

- show appropriate customer focus and participation
- demonstrate appropriate project structure and use of quality improvement tools

- demonstrate team contribution
- show the level of "before and after" improvement by measurement
- have been managed within an appropriate time frame

Entries submitted during three rounds of the awards this year were testimony to the innovative, creative and efficient staff at Hunter Health. Prize winning quality projects from each sector in Hunter Health are profiled throughout the pages of this report.

This year's cover photograph is of Ward B2 staff, with their inaugural quality award certificate.

ABOUT HUNTER HEALTH

Hunter Health was created on 1 August 1988 and is a NSW public sector organisation incorporated under the Health Services Act, 1997. It is administered by a 12 person Board appointed by the Minister for Health. The operating budget is provided by the NSW Government through NSW Health.

The 1997/98 operating budget was \$406.6 million. Hunter Health currently receives 8.6% of the State's health funding, which is less than its equity share, based on the Hunter population's health needs and the services provided by Hunter Health to residents of northern NSW and the Central Coast. In July 1996 the NSW Government commenced a three year plan to fully implement a new funding formula to address this issue.

Hunter Health has responsibility for a mixed rural, urban residential and industrial area comprising 11 local government jurisdictions covering Newcastle and the Hunter Valley.

With an estimated residential population of 521,470 people in 1996, the Hunter Health area has 8.4% of the State's population. Population densities range from 643 people per square kilometre in Newcastle to 0.7 per square kilometre in Merriwa. About 60% of the area's population resides in Newcastle and Lake Macquarie. The proportion of Hunter residents who are Aboriginal or Torres Strait Islander is 1.6%, which is the same as the NSW proportion. It is, however, acknowledged that this figure is under represented. Approximately 4.5% of the Hunter population is from culturally diverse backgrounds. The Hunter population is projected to grow to over 540,000 by 2001.

The Hunter has 71,623 people who are aged 65 years or over, which equals 13.7% of the population, compared to 12.6% in NSW. By the year 2001, the proportion of people aged 65 years or more in the Hunter community is expected to rise to 14%, while the proportion of younger age groups is expected to drop.

The birth rate in the Hunter is 54.4 per 1,000 women (higher than the NSW rate of 53.1). The total number of births in the Hunter during 1997/98 was 6,193. The proportion of births by mothers in the 12-19 age group was 6.1%, compared to the NSW proportion of 5%.

The Hunter population includes a significant proportion of socially disadvantaged people, reinforcing the need for comprehensive health services targeted to meet their particular needs. Hunter Health operates a comprehensive range of public health, health promotion and community based health services; 15 acute and mental health hospitals; three aged care facilities; and two polyclinics. The Newcastle Mater Misericordiae Hospital is an affiliated hospital under the Health Services Act 1997. Approximately 33% of the Hunter's population has private health insurance, compared to the State average of 31.8% and the national average of 31.6%.

Hunter Health is the Hunter's largest employer with 7,063 full time equivalent staff. Through its links with the University of Newcastle, Hunter Health also contributes to the education of a wide range of health professionals at both an undergraduate and postgraduate level.

Hunter Health not only serves the local community, but also provides specialist and tertiary health services to the people of New England, the Mid North Coast and the Central Coast.

Hunter Health has close links with other health care providers, the NSW Ambulance Service, private hospitals, nursing homes and aged care hostels, general practitioners and a range of other health care professionals in private practice. However, these do not come under the administration of the Hunter Area Health Service.

Aboriginal Health

Aboriginal people in the Hunter come from various backgrounds including urban and rural areas and missions. The Aboriginal population of the Hunter is estimated to be between 8,000-10,000. The majority of this population is concentrated in the Greater Newcastle region.

Hunter Health and the Awabakal Aboriginal Co-operative continue to work closely together with all Aboriginal communities to implement a range of strategies, including a formal Partnership Agreement to be launched in 1998. This will ensure services will provide for the needs of individuals and whole communities.

Given the diversity of Aboriginal people, service providers must be aware of relevant historical and cultural factors. With increasing awareness of the vast problems facing Aboriginal people's health and the development of appropriate programs to target these problems, the health and well being of Aboriginal people will be improved to levels enjoyed by other people in this region.

Hunter Health acknowledges and encourages community involvement from Aboriginal people and community organisations within the Hunter area. Ongoing planning is seen as vital to the health of Aboriginal people in the Hunter.

Due to both respect and commitment, Aboriginal health in the Hunter is at the forefront of progress in NSW. The Hunter Health Aboriginal Health Plan launched in 1995 has become a benchmark for others seeking to improve Aboriginal health.

Migrant Health

According to the 1996 ABS Census data, 4.6 % or 23,166 of people in the Hunter were born in countries where people speak a language other than English and 20,013 or 3.9 % of people reported that they speak a language other than English at home. The Hunter has a diversity of ethnic backgrounds, although communities are generally small. This makes providing culturally appropriate health services more challenging. The largest communities are German, Chinese, Italian, Dutch, Polish, Filipino, Macedonian and Greek. Proficiency in English can give an indication of a person's ability to access services and is useful for planning language services. In the Hunter, 3,336 people reported that they had poor or no English.

The population of the larger established ethnic communities in the Hunter is ageing and numbers are decreasing. However, the demand for health care and aged care services is increasing. The guiding principles for Hunter Health are equity and access to services for all Hunter residents, regardless of cultural origin or linguistic skill. Public health services and non-government organisations funded through NSW Health have a responsibility to respond appropriately to their target population and inform ethnic communities and individuals about their health.

Hunter Health is committed to equity in provision of health services and has implemented about 70% of the recommendations from the Multicultural Health Strategic Plan (1996-1999). Meetings have commenced for consultations with community members for the next Strategic Plan.

Within Hunter Health, the Chief Executive Officer has the primary responsibility for monitoring and implementing the multicultural policy by all Hunter Health Units, assisted by the Migrant Health Unit. Hunter Health's Migrant Health Unit also coordinates and administers the NSW Rural Health Care Interpreter Service for six health areas - Central Coast, Mid-North Coast, Northern Rivers, New England, Mid-Western and Far West.

People with a Disability

It is estimated there are about 86,000 people with a disability in the Hunter. The disability may be intellectual, psychiatric, sensory, physical or a combination of impairments. It is usually permanent, or likely to be, and significantly reduces the person's capacity in one or more major life activities, such as communication, movement or learning.

During 1997/98, further progress was made on the implementation of the Hunter Health Disability Services Plan 1995-1998. Eighteen of the 22 strategies contained in the plan have now been completed with three of the remaining four interdependent. These will be completed during the remainder of 1998.

There continues to be a collaborative implementation approach with consumers and non-government organisations represented on the Disability Advisory Committee. There has also been a greater involvement of Hunter Health facility managers on the committee with the aim of implementing suggestions and advice from consumer representatives in the day-to-day practice of health care.

During 1997/98 there has been a focus on raising awareness among staff about the specific needs of people with disabilities. A train-the-trainer program will be implemented to ensure staff recognise or identify the particular needs of people with a disability.

The employment of 20 people with an intellectual disability in association with Castle Personnel has been ongoing. Discharge planning for people with an existing or newly acquired disability is also being addressed.

Rural Health

Providing health services in a mixed rural and urban environment is challenging. With a geographic area of nearly 24,800 square kilometres, the Hunter is larger than all other metropolitan area health services combined.

The main challenge in providing health services to rural dwellers is the distance from specialist services. Whilst some specialists visit rural locations, transporting people to specialist services in Newcastle is more common.

A rewarding aspect of providing health care in a rural environment is the willingness of rural communities to consult and communicate with Hunter Health.

Consultative working parties have been established in conjunction with local councils, the Department of Urban Affairs and Planning, general practitioners and others in Merriwa, Murrurundi, Dungog and Singleton. These committees aim to look at the long term health needs of their communities and explore how health services can prepare to meet these needs. Lower Hunter hospitals have community representatives on their Quality Councils, which are equivalent to Patient Advisory Committees.

Hunter Health is also pleased to have input and support from local patient advisory committees in the Upper Hunter Sector, as well as the Upper Hunter Health Council. It also has working relationships with community services and general practitioners in rural areas.

A draft Rural Health Plan was completed during the year which emphasises the special needs of rural communities and contains strategies for the development of services until the year 2000.

Key Indicators - All Services

	97/98	96/97	95/96	94/95	93/94
Total for Hunter Health Admissions	110,903	106,978	110,933	108,930	101,189
Day only admissions (%)	37.3	37.2	36.8	34	32.3
Average length of stay (days) ¹	6.7	7	7.2	7.8	8.1
Births	6,193	5,985	6,264	6,352	7,524
Beddays	743,969	747,578	797,869	850,547	849,298
Average DRG cost weight per 1,000 beddays (acute hospitals only) ²	245	229	212	201	193
Operations	34,227	33,107	37,536	34,026	32,545
All Services ³					
Adjusted Daily Average (ADA) ⁴	2,413.8	2,415.7	2,567.8	2,693.6	2,991.5
Non Inpatient Occasions of Service ('000)	1,461	1,429	1,515	1,435	1,323
Total Staff (FTE 30 June)	6,999	6,901	6,799	6,767	6,802
Gross Operating Payments (\$M) ⁵	451.7	416.6	397.3	376.3	357.2
Staff per ADA	2.90	2.86	2.65	2.51	2.27
Operating cost per ADA (\$)	512.54	472.48	423.90	382.74	327.14
Employee Related Exp on direct clinical services ⁶	77.78%	77.28%	78.37%	77.33%	n/a
Employee Related Exp on direct hotel services ⁶ (%)	11.95%	12.64%	12.21%	13.05%	n/a
Employee Related Exp on direct other services ⁶ (%)	10.27%	10.07%	9.42%	9.62%	n/a
Lost time injuries per 1,000,000 hours worked ⁷	39.41	37.28	39.46	43.45	44.12

1. Average length of stay figures reflect acute facilities as well as longer stay aged care and mental health facilities.
2. Costweights based on Casemix Standard for 97/98. DRG cost weight is an index of the complexity and resource requirements of the inpatient workload based on diagnosis related groupings. For comparison, data for this indicator is calculated annually across all years based on the current version of ANDRG and current cost weights for NSW public hospitals.
3. A change in the weighting formula for ADA in 1994/95 makes pre-1994/95 comparisons now inappropriate.
4. Adjusted daily average adds the daily number of inpatients to the number of non inpatient occasions of service weighted to a notional inpatient bed day workload.
5. Gross Operating Payments for 1997/98 excludes \$5.6m of Salary Award increases paid in relation to the 1996/97 year. The Gross Operating Payments in 1996/97 have been increased by this amount.
6. Calculation of % expenditure on Clinical, Hotel & Other restricted to Employee Related Expenditure. No figures available for 1992 to 1994. Expenditure percentages have been adjusted for CPI.
7. These results are based on AS-1885 for the LTI frequency rate where LTI is divided by total annual employee hours and multiplied by 1,000,000.

Chairperson's Report

Hunter Health is a huge organisation with 8,935 employees and many services and facilities. We are all driven by the common goal of improving the health of the people of the Hunter through the provision of high quality, comprehensive, cost effective public health services. This annual report highlights Hunter Health's tremendous efforts towards quality improvement.

Our health service is patient/consumer centred, and is committed to ethical practice and standards. We have a strong commitment to providing equity in the distribution of health care to all members of our community and also to making health care accessible to those in the greatest need. The hard work, dedication, commitment and innovation of our staff enables Hunter Health to meet its goals and deliver such high quality services to people within our community.

I am pleased to report that the Hunter is building an international reputation for excellence in health research and this year became the NSW centre for colorectal cancer gene testing. In 1997/98, increased funding for research infrastructure and the launch of the Hunter Medical Research Foundation signalled a promising new era in health research in the Hunter. Hunter Health has been a proud supporter of Hunter Medical Research and is delighted with the organisation's success to date.

Our Services

The focus of health care delivery is slowly changing, with greater demand for and emphasis on community-based care. In this context, expanding high quality community-based services has been a priority for Hunter Health. This year, the \$5.15 million Westlakes Health Service and Toronto Polyclinic project was completed. This will make more comprehensive health care available to residents of the Westlakes area. Services to come online by September are in the areas of community health, ambulatory care, rehabilitation and primary care.

During the year, Hunter Health also began refurbishing a building in the central business district to house the Newcastle Health Centre. The Centre, which will offer a range of community based services to inner-city residents, is expected to be opened by mid-1999.

Facilities such as the Toronto Polyclinic and the Newcastle Health Centre complement services provided by hospitals, general practitioners and other health care providers. The goal is a seamless continuum of care with optimum results for people requiring health care. The consolidation of CAYHNet during 1997/98 was an example of successful integration between hospital and community health services. CAYHNet is achieving the seamless continuum of care for ill children, whether they require treatment in hospital or the community.

This year a reorganisation of Mental Health services increased access to mental health care for rural residents, provided additional services for child and adolescent psychiatry and introduced new community-based services in areas such as psychogeriatrics. A 24 bed mental health unit was opened at The Maitland Hospital to support the Hunter Valley Mental Health team. A new Psychological Assistance Service was also introduced for young people who are at high risk of developing illnesses such as schizophrenia.

Access to public surgical care has been highlighted in recent years. Hunter Health performed over 35,000 surgical procedures in 1997/98, which included 2,110 more booked procedures than last year. There was a dramatic decrease in the number of people waiting more than 12 months for booked surgery, and Hunter Health exceeded benchmarks set by NSW Health. This was achieved through the hard work and commitment of staff using Hunter Health's innovative Surgical Funding Model. This model pools funds for surgery and reimburses hospitals on a "per procedure" basis. It has driven improvements to the management of all aspects of surgical care to ensure we can perform as many procedures as possible to minimise waiting times.

The Commonwealth aged care reforms were a major issue in 1997/98. The Board was concerned about the impact of the reforms on our community's elderly people and endorsed Hunter Health's initiatives to inform and support elderly people during a period of uncertainty about access to aged care services. In this regard, the Board acknowledges the hard work of staff at aged care facilities such as Allandale, Wallsend and Muswellbrook, as well as acute hospitals and our other groups associated with aged care in the community and in Hunter Health facilities.

Preventing disease is a priority for Hunter Health. This year, the Hunter Centre for Health Advancement introduced five action plans to address melanoma, smoking, cervical cancer, drug and alcohol abuse and falls in the elderly. In implementing these five year plans, the health service is working in conjunction with schools, registered clubs, police and a range of other community-based groups.

The Hunter also continued its focus on improving access to health care for people from other cultural backgrounds. Rural outreach services, community education and a leading role in establishing a state network of rural interpreter services are among the Hunter's recent achievements in improving the health of people from other cultural backgrounds.

Quality improvement is a key goal for Hunter Health. This year the Royal Newcastle Hospital won an Australian Quality Council Award for Achievement in Business Excellence. This award gives testimony to the calibre of our staff and their willingness to work together.

The Board was delighted that Hunter Health received three Environmental Achievement Awards from the Newcastle City Council for initiatives in better waste segregation and management and resource conservation. The Maitland Hospital also received a grant to establish a worm-based waste management system. Further energy-saving initiatives are now underway, along with the development of an Area-wide Environmental Management Plan.

Our Staff

The most important part of the quality of health care we deliver in the Hunter is our staff and the dedicated and professional manner with which they fulfil their duties. Hunter Health is the biggest employer in the Hunter, and we value the contribution of every staff member towards improving the health of people in the Hunter.

In October 1997 Hunter Health appointed Professor Katherine McGrath to the position of Chief Executive Officer, following the departure of Dr Tim Smyth, who accepted the role of Deputy Director General - Policy for NSW Health.

Professor McGrath assumed the role with tremendous energy which has been sustained ever since. Under her leadership and with the help of the Board, progress has continued towards achieving the direction set out in the 1995-1999 Corporate Plan.

In May, the Board was delighted to congratulate members of "Club 25", which includes those staff with 25 or more years of service to public health services in the Hunter. Each year, we will welcome new members to Club 25 and acknowledge their commitment to our service.

Supporting and recognising the commitment of our staff continued to be a high priority in 1997/98. Hunter Health introduced the Quality Awards to recognise the outstanding staff members who contributed to a tangibly better health system. The Board also approved the notion of "Gold Ribbon Awards" for individual achievement and contribution to improving the health of people of the Hunter. These will be introduced in 1998/99.

Partnerships

Hunter Health's most important partnership for the benefit of the Hunter community is with NSW Health. Our first two-year performance agreement with NSW Health was signed in November 1996. We are delighted that Hunter Health is on track towards achieving its performance agreement. Results are noted in the adjacent panel.

One of Hunter Health's most rewarding partnerships in 1997/98 was with NBN during the 1997 Telethon. The Telethon exceeded everyone's expectations by raising

Hunter Health made excellent progress in relation to targets in 1997/98.

Achievements included the following:

- Delivery of services within budget
- Achievement of surgical benchmarks under the Priority Access Strategy
- Development/implementation of targeted health improvement initiatives
- Innovation in health service funding and delivery
- Collaboration/formalisation of partnerships with other organisations and the community - General Practice, Aboriginal Health, Hunter Interagency Group.
- Greater involvement of the community
- Awards for health service and environmental quality initiatives
- All Hunter Health units are accredited
- 100% of Hunter Health units comply with data submission deadlines

Constraints or obstacles to the achievement of targets and performance indicators included:

- Finalisation of the revision of the Hunter Mental Health Plan 1993 delayed pending release of the State Mental Health Plan
- Opening the 24 bed Mental Health Unit delayed due to inability to recruit specialist medical staff
- Timeframe for completion of the Area Health Plan extended to December 1998 to allow incorporation of NSW Health's Strategic Directions

over \$3 million for the John Hunter Children's Hospital to help children in our region who have cancer now, and in the future. We wholeheartedly thank the Hunter and surrounding communities for their generous support and look forward to enhancing assistance available for children with cancer and their families.

Last year Hunter Health entered into formal partnerships with the University of Newcastle and joint working parties with communities in the rural Hunter. Other collaborative work has been conducted with the Department of Housing and other government agencies.

Strengthening and formalising existing collaborative work has achieved outcomes. For example, Hunter Health and the University of Newcastle worked closely with the business community to successfully establish Hunter Medical Research, which is already attracting more research funding to the region. Together, the two organisations also successfully established the Newcastle Institute of Public Health, to be formally launched in early 1999.

The Board has encouraged Hunter Health to continue to pursue formal collaborative agreements with other

key partners. For example, Hunter Health continues to set an example with joint initiatives to improve the health of Aboriginal people. Among Hunter Health's collaborative achievements this year have been development of plans for an accommodation centre at John Hunter Hospital for the families of Aboriginal patients from outside the Newcastle area; outreach health services for Aboriginal people in the rural Hunter and a strategy to employ more Aboriginal people in the delivery of all services. In working towards the better health of the Aboriginal community, Hunter Health is also developing a formal partnership agreement with the Awabakal Aboriginal Medical Service.

In 1998/99 Hunter Health will finalise a Heads of Agreement with the Hunter Urban Division of General Practice that outlines collaborative arrangements between the two organisations. Together, we will undertake equitable, sustainable health projects that contribute to better health care for people in the Hunter.

We also continue to work productively with other groups, including

- Hunter Institute of Technology
- Hunter Interagency Group, including the Premier's Department; NSW Police Service; Departments of Community Service; School Education; Ageing and Disability; Juvenile Justice; Fair Trading; Sport and Recreation; Urban Affairs and Planning; and Housing; the Home Care Service; and the Hunter Region Organisation of Councils
- a range of Non-Government organisations

Our Resources

The challenge of meeting demand for high quality public health services within budget allocations is never easy. Our Chief Executive Officer, Professor Katherine McGrath; our senior executive; our general managers Mr Terry Mehan, Mr Ken Miller, Ms Sue Fardy and Ms Linda Cutler; and our unit managers and staff have ensured our finances have been well managed. On behalf of the Board, I thank all the staff who strove so hard to meet budget and maintain sound financial control in spite of the falling rate of private health insurance.

The Board greatly appreciated the support of the Minister for Health Dr Andrew Refshauge and our state Members of Parliament for their assistance in obtaining a fairer allocation of funds for Hunter Health.

Over the last few years, Hunter Health has developed business units such as the Hunter Area Pathology Service, Hunter Health Imaging Service, Hunter Rehabilitation Service, Hunter Corporate Catering and Pacific Linen (in conjunction with the Central Coast Area Health Service). These units not only serve public health facilities in our region, but also enable Hunter Health to compete for business in the private sector and return the revenue to improving public health services and

facilities. The Board has encouraged the growing business expertise among our staff and notes that capital projects such as the proposed new pathology building have become possible as a result of this new direction.

Later in 1998, the terms of our greatly valued Board members Professor William Walters, Mr Mike Tyler and Mrs Helen Hall will expire. The Board also accepted with regret the resignation from the Board of Mr Ray Kelly. I take this opportunity to thank them all for their dedication, support and unique contributions to the Board and Hunter Health.

As we move into 1998/99, Hunter Health is preparing itself for developing the next corporate plan - one which will take us into the new millennium. The people of the Hunter have great cause for optimism and confidence in their health service. The Hunter has a reputation as a financially sound, innovative and efficient health service which achieves excellent health outcomes for the people it serves.

Our next corporate plan will certainly reflect the hallmarks of NSW Health's Strategic Direction document, which outlines the goals of "better health, good health care". We will strive to achieve the goals of healthier people, fairer access, quality health care and better value for our community.

My fellow Board members have contributed significant time and energy in diverse areas to Hunter Health. I thank them for their dedication and commitment which influences and advances our common goal of improving the health of people in the Hunter.

In closing I acknowledge the contribution of our Medical Staff Councils, State and Federal Members of Parliament, the Sisters of Mercy (Singleton), our hospital auxiliaries, our wonderful volunteers and supporters across the Hunter, the service clubs and other fundraising groups, and our chaplains and pastoral care workers for their continued support, advice and service to our Hunter community.



Carol Abela

Key Issues and Future Goals

Issue	Action
Clear Direction and Plan	
Involving the University of Newcastle in implementing corporate plan as part of the formal heads of agreement signed in 1997.	Identify specific opportunities for Hunter Health/University partnership
Community involvement	Evaluate success of the Upper and Lower Hunter pilot health councils
Service planning for acute services in Newcastle	Acute Hospitals Planning Study completed; recommendations made to NSW Health
Develop and implement service plans.	Service plans were developed for drug and alcohol services, aged care and Hepatitis C. Mental health plan was revised.
A Change in Focus of Health Care Delivery	
Focusing health promotion activities on our priorities for health improvement in the Hunter.	Plans developed for reducing smoking, preventing cervical cancer, preventing falls in the elderly, preventing skin cancer, preventing excess alcohol consumption, managing asthma and detecting breast cancer.
Staff education to facilitate the change in focus.	Focus groups undertaken to determine staff understanding of the changing focus. Career Development Program and staff-rotation programs established to facilitate wider experience of working in both acute and community settings.
Improving continuity of aged care services.	Aged care service management structure reviewed.
Strengthening the partnership with general practitioners.	Extend telecommunications links with interested GPs to promote communication; extend diabetes shared care programs; development of collaborative relationship with HUDGP.
How We Manage	
Recognise staff achievement and performance.	Respond to issues raised in staff survey. Standardise performance management systems across Hunter Health. Develop formal systems for staff recognition.
Improve employment conditions and amenities for staff.	Increase employer-subsidised child care places; continue vacation care; explore flexible work practices.
Workplace safety for staff and reducing work-related injuries	Improved workplace safety measures and management practices; raised awareness among managers of their responsibilities for promoting safety in the workplaces and promptly reporting incidents which occur.
A People Focused Quality Health Service	
Improving health quality outcomes and practices	Quality improvement plans developed (all units) and clinical pathways documented (selected units); patient satisfaction survey conducted.
Service improvement	Refine surgical funding model and set benchmark targets for booked and emergency surgery and emergency department care; improve childhood immunisation rates;
New capital works to improve health facilities	Maitland Mental Health Unit constructed. Toronto Polyclinic work commenced. Planning for Newcastle Health Centre and Yallarwah Place Aboriginal Accommodation Facility began.
Effective Resource Allocation and Utilisation	
Fair share of health funding for the Hunter	Liaising with NSW Health regarding Hunter's share; surplus assets identified and sold; Revenue Task Force convened; privately insured patients encouraged to admit themselves as private patients.
Maximise efficient use of health resources	Developed cost modelling and clinical costing systems; developed Area Environmental Management Plan and Clinical Technology Management Plan; monitor benchmark indicators
Equitable allocation of available resources	Align budget allocations to services and units according to casemix and benchmark performance indicators.

Outcomes

Goals

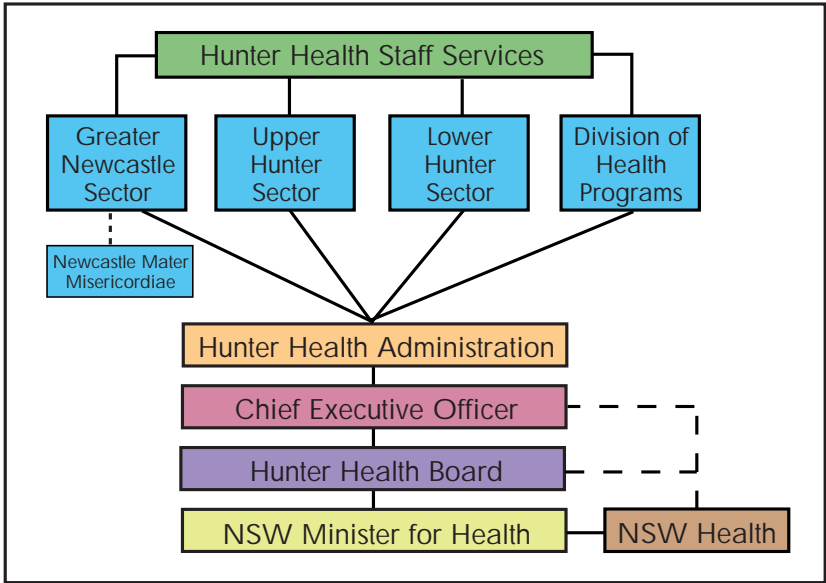
Areas agreed upon; Newcastle Institute of Public Health formed, bringing together expertise in health promotion, epidemiology, population health and community primary care services.	Recruit a conjoint appointment in psychology; implement the Mental Health Services Plan in collaboration with the Discipline of Psychiatry.
Health councils extended for a further two years.	Re-evaluate in 1999.
Approval given to commence components of the capital works project, known as the "Hunter Package", on the John Hunter Hospital site.	Complete "Hunter Package" capital works.
Implementation on service plans for Aboriginal Health, Mental Health, Disability and Multicultural Health Plans continued.	Continue development and implementation of plans. Develop new Aboriginal Health Plan (1999-2001).
Plans developed and launched. New Health CHIPs programs and Health Skills courses developed.	Continued implementation of the five year plans.
Staff understanding and attitudes determined.	Greater movement of staff between hospital and community settings.
Management structure recommended which will support care across acute, rehabilitation and community phases of service.	Implement recommended management structure.
170% growth in use of DOCFACS over two years. 317 GPs now use DOCFACS. 24 GPs in 10 practices now participate in diabetes shared care.	Establish plan to convert discharge summaries to electronic format; further extend the shared care program, formalisation of collaborative partnership with HUDGP.
Introduce Quality Awards (to recognise quality improvement projects) and Club 25 (to recognise staff with over 25 years of service).	Introduce "Gold Ribbon" Awards for individual achievement.
36.6% increase in places available to staff at Possum Place Child Care Centre (to 75 places); Information on flexible work practices distributed to all staff.	Continue development of the Family Friendly Workplace Program.
Reporting compliance improved by more than 10%.	Reduce workplace injuries and minimise cost of insurance to free resources for clinical care.
Extended business hours for community health services improved convenience for clients; all Hunter Health units achieved ACHS accreditation. Royal Newcastle Hospital received AQC Award.	Achieve an Australian Quality Award for Hunter Health.
Surgical benchmarks achieved; emergency department targets not achieved, but remedial actions introduced; 86.6% immunisation compliance for Hunter children over 18 months old (compared to NSW average of 80.7%).	Achieve emergency department benchmarks.
Maitland Mental Health Unit completed and commissioned. Works on \$5 million Toronto Polyclinic now due for completion.	Commission Toronto Polyclinic; complete Newcastle Health Centre and Yallarwah Place.
Improved revenue generation using quality billing. \$2 million budget increase.	Meet revenue targets.
100% reporting compliance from units; Plans completed.	Implement and fine tune costing systems and implement plans.
Casemix costing for urban hospitals in place; shadow casemix budgets developed; finance and budget modules included in management development training programs.	Implement full casemix funding model.

OUR PEOPLE

Hunter Health recognises its most valuable assets are the people who work for and support the organisation. These include our Board, our staff and the unions which represent them, our volunteers, committee members, our health councils and the community at large who use and support our services.

Our people are a rich and diverse group with a range of special interests and needs. Issues to be addressed include the needs of Aboriginal employees and those from culturally diverse backgrounds. We recognise the need for flexible work arrangements and child care for staff. Hunter Health is also committed to providing professional development opportunities and assisting staff undertaking further study.

This section describes Hunter Health's progress in relation to our people over the past year.



Hunter Health Executive

Chief Executive Officer

Professor Katherine McGrath, MBBS, FRCPA, MRACMA

Director Medical Services

Dr Robert Porter, MBBS, FRACGP, FRACMA, AFCHSE

Director of Organisational Development and Area Director of Nursing

Ms Val Coughlin-West, M.Ed, B.App.Sci., Grad.Dip.Health Services Management, RN, FRCNA, FCN (NSW)

Acting Director of Finance

Ms Tracey Dowling, B.Com., CPA

Acting Director of Corporate Services

Mr Terry Mehan, MHSM, DHA, AFCHSE, JP

Director of Health Services Planning and Performance

Dr Nigel Lyons, B.Med (Hons), MHA

Manager Public Affairs

Ms Jane Gray, BA (Comm), AMFIA

Sector/Division General Managers

Health Programs Division

Ms Sue Fardy, Master Health Services Management, MHSM, Dip.App.Sc (Nursing), B.Health Sciences (Nursing), RPN, RN, JP

Greater Newcastle Sector

Mr Terry Mehan, MHSM, DHA, AFCHSE, JP

Lower Hunter Sector

Mr Ken Miller, B.Com., MHA, AFCHSE, JP

Upper Hunter Sector

Ms Linda Cutler, B.N.Sc., RN, GDNS (Admin)

Hunter Health Board

Hunter Health is administered by a Board of Directors appointed by the NSW Minister for Health. The Board took office in January 1993 and is responsible for the effective management of the health service in accordance with the Area Health Services Act. The Chairperson and community representatives serve in an honorary capacity and receive no payment as Board members.

Ms Carol Abela, LLB (Chairperson)

Carol Abela is a qualified barrister and solicitor in Victoria and the High Court of Australia and a solicitor in NSW. She has studied psychiatric and general nursing and postgraduate nursing administration. She has nursed extensively in Australia, Europe and New Guinea.

Carol is a law lecturer with the Faculty of Law at the University of Newcastle and a legal member of the Mental Health Tribunal of NSW. She is also an advisor to the Dominican Sisters of Malta, who conduct school and health missions in various countries throughout the world, and an advisor to the Central Coast's Ngaimpe Aboriginal Corporation.

Carol is interested in international and humanitarian law, health law and patients' rights, particularly for disadvantaged people such as indigenous Australians and those whose first language is not English. She also chairs and is a member of a number of boards, including the University's Board for the Centre for Health, Law, Ethics and Policy.

Dr Annette Carruthers MBBS (Hons), FRACGP

Annette is a general practitioner who works full-time in her practice at Redhead and Charlestown. She has had a long association with Hunter Health facilities from her days as a resident medical officer and subsequent 18 years in general practice. She has developed a strong commitment to quality general practice, effectively integrated with the rest of the health care system. Annette was a founding member, and currently serves on the Executive Committee of the Hunter Urban Division of General Practice. She is also actively involved in the Royal Australian College of General Practitioners.

Mrs Helen Hall

Helen has lived in the Hunter Valley for most of her life and for the last 39 years has assisted Hunter Health in varying capacities. She is a foundation member of the Clevedon Hospital and Gresford Community Centre Auxiliary. More recently she has been a member and Chair of the Gresford Health Consultative Committee.

Mrs Alison Howlett

Mrs Alison Howlett is a Councillor on Singleton Council and serves as its representative on a number of committees. She also participates in charities on behalf of Sudden Infant Death Syndrome and people with disabilities.

Mr Michael Johns, LL.M, FAICD

Michael is a solicitor and corporate advisor and has interests in retailing, mining and property in the Hunter. He is a member of the Council of the University of Newcastle, a Director of Newcastle Grammar School Ltd and Life Member and Honorary Solicitor of Newcastle University Union. He is married with four daughters.

Michael is a Member of the Committee and the Council of the Newcastle Agricultural, Horticultural and Industrial Association Inc., the organisers of the Newcastle Regional Show. He is Director of Grinners Food Services, the Hickson Corporation, Transio, Wine Maker Hunter, Depot Development, Resolution, Richard Hughes Daughters and Segsee.

Michael is also a Member of the Advisory Committee for the Multi Purpose Health and Recreation Facility at Newcastle University; a Partner in Novocastrian Corporate Services and Proprietor of Michael Johns Corporate Advisory Service.

Mr Ray Kelly

Ray is the Chief Executive Officer of the Awabakal Newcastle Aboriginal Co-operative, and has previously held positions with the Council for Aboriginal Reconciliation and the Department of School Education. Ray also serves on the Boards of the Newcastle Community Arts Centre, the Ngoroe-Ka Aboriginal Theatre Company, Newcastle City Council Cultural Development, the North Coast Aboriginal Health Group, the Arts Advisory Board to the Premier and the North-Eastern Regional Council of Aboriginal and Torres Strait Islander Council.

Mrs Irina Lupish

Irina Lupish was appointed to the Hunter Health Board in October 1996. Born of Russian/Ukrainian parents, Irina came to Australia from China in 1961. She moved to the Hunter from Sydney in 1968 when she married her husband Vitaly and they have two children, Larissa and Alexander. Irina is a community worker at the Migrant Resource Centre. She became involved in community work in the Hunter in the late 1970s and belongs to several advisory committees, consultative forums and management committees.

Professor Katherine McGrath MBBS, FRCPA, MRACMA

Katherine graduated in medicine from Melbourne University and specialised in haematology. Following appointments as Deputy Director, Victorian Blood Transfusion Service and Director Diagnostic Haematology, Royal Melbourne Hospital, she moved to the Hunter as Director, Hunter Area Pathology Service and Associate Professor of Pathology in the Faculty of Medicine and Health Sciences. In late 1997 she was appointed as Chief Executive Officer of the Hunter Area Health Service following the promotion of Dr Tim Smyth. She was also appointed Professor of Pathology, Faculty of Medicine and Health Sciences, University of Newcastle.

Ms Lyn Shepherd RN, B Nursing

Midwife, CNC (Staff elected representative)

Lyn is a Clinical Nurse Consultant (CNC) Products/Contracts for Hunter Health. Lyn holds a Bachelor of Nursing with certificates in General Nursing, Midwifery and Contracts Management as well as a Diploma ASAOTT. She has worked in the private sector as well as a number of units within Hunter Health including Wallsend, Kurri Kurri and Western Suburbs Maternity Hospital before joining the team at John Hunter Hospital. Lyn is a member of the College of Nursing, the Executive Committee of the Patient Care Technology Group and is a National Panel Member of the Institution of Engineers, Australia. She also serves on the NSW Peak Purchasing Council as a member of the Contracts Management Portfolio. Within Hunter Health, Lyn is the Chairperson of the Area Product Evaluation and Standardisation Committee. This extensive involvement in Hunter Health activities allows Lyn to meet with staff across the health arena and provide them with accurate representation.

Sister Margaret Sinclair, RSM, BA, Dip Ed Stud (Curric), Dip Ed Stud (RE)

Margaret is a member of the Congregation of the Sisters of Mercy (Singleton). She has taught in Catholic primary schools in the Newcastle area, filled the position of Religious Education Consultant with the Catholic Education Office, Newcastle and been a member of the Religious Department of the Catholic College of Education, Sydney (Australian Catholic University). From 1986-91 Margaret was Superior of her Congregation.

Mr Michael Tyler, FAICD, MIPMA

Managing Director of Hunter Industrial Management Services, Mike is a former member of the Board of the Hunter Water Corporation and is currently Chairman of PSI Superannuation Management Pty Ltd. Positions he has held in the past include Hunter Regional Manager for the Chamber of Manufacturers of NSW.

Married to Christine, with three children, Mike is a keen sportsman currently involved in tennis and squash.

Professor William Walters, MB BS, PhD (Lond), FRCOG, FRACOG

Professor Walters is Professor of Reproductive Medicine and Deputy Dean of the Faculty of Medicine and Health Sciences in the University of Newcastle, and Chairman of the Division of Obstetrics and Gynaecology and a member of the Management Board of John Hunter Hospital. He is now Chairman of the NSW Health's Maternal and Perinatal Committee. Professor Walters has made many contributions to education and research in reproductive medicine.

To B(2) or not to B(2) - improving without spending

Q In October 1997, the first Quality Awards prize was awarded to a Greater Newcastle Sector team of nurses from what was Ward B2 (now J2) at John Hunter Children's Hospital.

U

A The team was led by Kristin Thorpe, the then Acting Nurse Unit Manager, and Lynda Dryden, Nurse Unit Manager in Ward B1. The project focused on improving rostering patterns to utilise staff within the ward more effectively.

L By analysing a range of activity information and consulting with staff, the team was able to increase staffing levels on evening shifts in the Adolescent Unit without increasing costs. This resulted in increased staff satisfaction and improved cooperation within the Unit.

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T The Quality Awards judging committee commended the team on its use of appropriate quality improvement tools, data to demonstrate the nature of the problem and the impact of the changes made and the involvement of various team members to identify solutions to the problem.

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Hunter Health Committees

The Board is advised by a number of committees established under the Hunter Area Health Service By-Laws. Committee members include Board members and representatives from Hunter Health units, The University of Newcastle, general practitioners, affiliated hospitals, the Hunter Health Medical Staff Council, consumers and community members. Apart from the Audit Committee, Board Committees meet on a monthly basis.

Aboriginal Health Advisory Committee

Chair: Mr Bob Smith

The Aboriginal Health Advisory Committee monitors the progress and gives direction on the implementation of the Hunter's Aboriginal Health Plan, 1995-1998.

Area/Mater Hospital Liaison Committee

Chair: Ms Carol Abela

The Area/Mater Hospital Liaison Committee enables direct discussions between representatives of the Hunter Health Board and representatives of the Trustees and Management of the Newcastle Mater Misericordiae Hospital on matters of mutual interest.

Audit Committee

Chair: Ms Carol Abela

The Audit Committee is responsible for advising the Board on the adequacy of Hunter Health's internal controls, the effectiveness of the internal and external audit functions and compliance with statutory and regulatory requirements.

Board/Medical Staff Council Liaison Committee

Chair: Ms Carol Abela

The Board/Medical Staff Council Liaison Committee facilitates the exchange of information between the Hunter Health Board and medical staff. The forum provides a direct opportunity for both the Board and the medical staff to discuss matters of mutual interest.

Finance Committee

Chair: Mr Michael Johns

The Finance Committee was established by the Board to review, monitor and make recommendations in respect of all financial and budgetary matters. The Committee monitors Hunter Health's financial performance and provides advice on all aspects of financial planning, including the provision of an annual budget.

Hunter Area Research Ethics Committee

Chair: Sr Margaret Sinclair

The Hunter Area Research Ethics Committee has the responsibility for considering and recommending to the Board the approval of research protocols involving

patients or clients of services within Hunter Health. The Committee is also required to comply with guidelines as determined by the National Health and Medical Research Council.

Medical Appointments Advisory Committee

Chair: Mr Michael Tyler

The Medical Appointments Advisory Committee is required to provide advice and, where appropriate, make recommendations to the Board concerning any matter relating to the proposed appointment of visiting practitioners or staff specialists.

Multicultural Health Advisory Committee

Chair: Irina Lupish

The Multicultural Health Advisory Committee advises the Board on policies and planning of health services for people from culturally diverse backgrounds.

Other Advice

In addition to these committees, which all report directly to the Board, Hunter Health is served by many other groups working as advisory groups, steering committees, working parties or management boards:

- a Sterilising and Infection Control Task Force, established in 1996/97, addresses infection control standards set by NSW Health.
- the Area Product Evaluation and Standardisation Committee seeks to use Hunter Health's volume buying power in the best way possible.
- the Area Therapeutics Committee is responsible for policy making and monitoring in this important field.
- the Disability Services Advisory Committee monitors progress on the Disability Services Plan 1995 - 1998 and advises on related service issues.
- the Mental Health Services Management Board oversees and assists Hunter Health's mental health services.
- Hunter Health's business units, which include the Hunter Area Pathology Service, Hunter Area Rehabilitation Service, Hunter Health Imaging Service, Pacific Linen and Hunter Corporate Catering. All have management boards which report monthly to the Hunter Health Board.

There are many other diverse and service-related working groups. Many have consumers and users as participants to evaluate current services and to help Hunter Health address future needs.

Our Staff

The most important contributors to health services in the Hunter are staff of the Hunter Area Health Service. Hunter Health's Corporate Plan, particularly Theme 3, stresses the importance of our staff and details condition statements which underpin the relationship with our staff.

With 7,063 full-time equivalent employees, Hunter Health is the largest employer in the Hunter. We employ people in occupational areas ranging from medical, nursing and allied health staff to administrators, educators, gardeners, clerical and domestic service staff.

With the employment of a full-time coordinator for the Employee Assistance Program (EAP), Hunter Health has increased resources to EAP services for our staff.

A particular focus has been on raising awareness of the program and ensuring the list of EAP providers is comprehensive in terms of the mix of skills available and the geographic location of services. Reducing the response time by EAP providers has also been a priority.

EAP providers participate in critical incident debriefing and make a positive contribution to the well-being of staff with early intervention and preventative programs. The coordinator of the service is also a member of the NSW Health Working Party to develop the standard guidelines for EAP programs in NSW Health.

Hunter Health staff are covered by the NSW Nurses Association, Health and Research Employees Association, Australian Salaried Medical Officers Federation, Australian Workers Union, Electrical Trades Union, Construction Forestry Mining and Energy Union, and the Plumbers Association.

1997/98 saw the completion of negotiations for the Skilled Trades and Senior Medical Practitioners Awards. The Skilled Trades Award has been restructured and successful implementation has relied on reviews being undertaken jointly by Hunter Health and the unions. Changes to two awards covering staff specialists, the Senior Medical Practitioners Award and the Specialist Private Practice Award, were successfully implemented thanks to a cooperative relationship between Hunter Health and the unions involved.

Despite the restructuring of a number of our services, there have been few disputes with unions. During 1997/98, Hunter Health moved to establish consultative committees to encompass all of our workplaces. The Hunter Health Staff Consultative Committee, together with unions, continues to provide a forum for discussions on major issues.

Hunter Health's strategies in the Equal Employment Opportunity (EEO) Management Plan for 1997/98 are well underway. A working party is due to begin the process of establishing a new EEO Management Plan for 1999/2000.

This year the snapshot date for EEO reporting was moved to 30 June, 1998 to ensure we were able to better plan and implement policies and programs aimed at EEO target groups. It is essential that we achieve a dataset that represents at least 85% of employees.

A Spokeswomen's Program has been established to assist women in the public sector to develop their knowledge and skills in order to fully participate on equal terms. Hunter Health has two spokeswomen for 1998.

Staff Opinion Surveys were conducted across Hunter Health, in 1995 and 1997. The survey has provided a framework for Hunter Health to develop and improve staff feedback, consultation and involvement. During 1998, as part of a continuing commitment to the survey process, the Human Resources Unit seconded a Staff Opinion Survey Project Officer to:

- identify aspects of the data which are currently particularly relevant to Hunter Health
- initiate benchmarking and share ideas within Hunter Health
- raise the profile of the survey and communicate the benefits to Hunter Health and its staff
- plan the 1999 Staff Opinion Survey.

Staff Recognition

Hunter Health has been committed to encouraging system improvements through the conduct of well structured and planned quality improvement projects and the three day Quality Facilitator course.

Hunter Health has introduced a Quality Awards process to recognise and reward project teams who have contributed to the organisation through either enhanced patient care, improving the way people do their jobs, saving time or saving money. The Quality Awards Competition was first announced in July 1997, with awards given to projects from each sector in three competition rounds over 12 months. The award winners of each round automatically qualify to compete for an annual award to be announced in November 1998 at the first Hunter Health Achievement Awards function.

In keeping with Hunter Health's corporate goal of recognising staff performance and achievement, its program of long service awards was enhanced this year. The awards not only recognise staff performance and achievement, but also promote staff pride and contribute to a culture of recognition.

Long service awards are presented to those who have achieved 10, 15, 20 and 25 or more years of satisfactory service. Staff with 25 years or more of

service have been specifically targeted with the introduction of "Club 25", a recognition level that opens the door to a range of benefits including a luncheon with Hunter Health Board representatives, public recognition at Hunter Health's Annual General Meeting and ongoing recognition through exclusive "Club 25" name badges.

Aboriginal and Torres Strait Islander Employment Strategy

To redress previous disadvantage faced by Aboriginal and Torres Strait Islander people, Hunter Health has developed the Aboriginal and Torres Strait Islander Employment Strategy. The strategy, overseen by a Steering Committee, will promote equitable access to health sector employment and increase the representation of Aboriginal and/or Torres Strait Islander people over the next five years.

The Strategy, approved by the Board in May 1998, will target 136 mainstream permanent positions to be filled by Aboriginal and/or Torres Strait Islander people by 2003. Opportunities will be created across all occupational groups and levels in the organisation to:

- achieve an equitable representation of Aboriginal and Torres Strait Islander people that reflects the population Hunter Health serves
- involve Aboriginal and Torres Strait Islander people in planning and decision-making about health services
- ensure health services are culturally appropriate
- improve health service delivery
- contribute to improving the health status of Aboriginal and Torres Strait Islander people.

Human Resource Management

Hunter Health is implementing an integrated Human Resource and Information System (HRIS) as part of a State-wide plan to replace existing payroll and reporting systems which are not Year 2000 compliant.

The HRIS is an integrated system which interfaces with financial systems, superannuation and staff rostering systems and time and attendance systems. HRIS will:

- improve the timely and accurate matching of staff skills and workload with patient needs for care and industrial obligations
- enable more effective resource allocation, deployment and cost reduction
- improve the quality of human resources policies and processes.

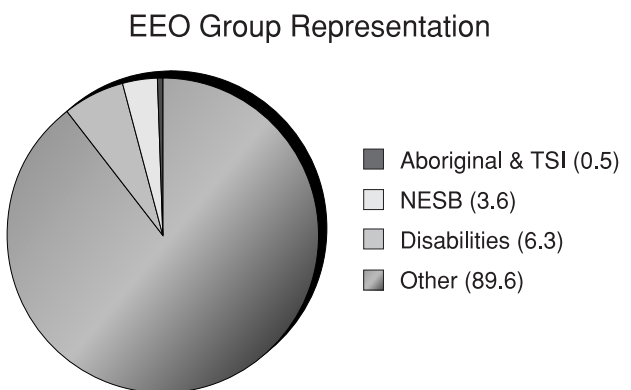
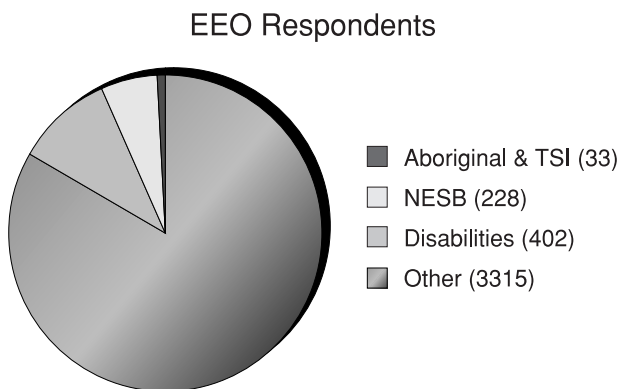
The first stage of the implementation will involve the

transfer of all payroll processing to HRIS by the end of 1998. During 1999, the more strategic modules of HRIS will be implemented. When fully operational, HRIS will provide line managers with access to strategic and operational information that will enable them to measure and analyse human and financial resources in the delivery and management of health services. It will also reduce the costs associated with personnel administration support services and payroll processing costs.

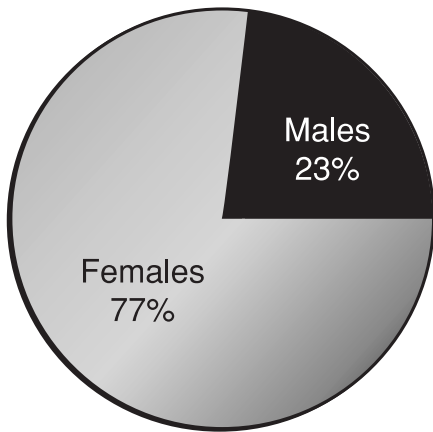
A recent case in the NSW Industrial Commission established important procedural precedents for employers who discontinue the employment of workers due to incapacity for duty arising out of work related injury.

Hunter Health's Human Resources Unit analysed the Commission's decision and developed a briefing session to provide senior managers and employee service staff with the key points for personnel management which resulted from this important case. In conjunction with Sparke Helmore Solicitors and the NSW Anti-Discrimination Board, four one-day seminars were presented covering employment contracts, procedural fairness and advanced grievance resolution. These popular programs will be repeated in 1998/99.

The Human Resources and Staff Development Units are developing a training package to assist managers who have staff with injuries or illnesses. This is important in the rehabilitation of injured workers because the objective is to adapt the workplace, work practices or routines in order to assist the injured employee to return to work.



Gender Mix of Staff
Hunter Health



Following the recent Wood Royal Commission, all service providers within NSW Health are required to screen employees, volunteers, students on practical placements, Board members, visiting medical staff and clergy for criminal records. Procedures have been established in order to maintain strict confidentiality.

People who have a criminal record are given the opportunity to discuss the matter fully and confidentially before any recommendations are made regarding their access to Hunter Health for employment or other purposes.

The Human Resources Unit, in conjunction with NSW Health, will carry out a complete check of all Hunter Health staff. The Unit has had significant input into the process of implementing and reviewing NSW Health's Criminal Record Check procedure.

Staff have a right to regular, constructive feedback on their performance. Performance Management offers a way to link the objectives and plans of the health service to the performance of individuals and their development. Done well, it is a powerful tool for both the organisation and the individual staff member. A project is underway to improve the conduct of performance management in our organisation.

Stage One will involve five pilot groups including the Upper Hunter Sector, Hunter Area Pathology Service, Public Health Unit, Wallsend Aged Care Facility and a group of senior managers. Stage Two will involve all managers and Stage Three will see the flow of benefits across Hunter Health.

Child Care

Possum Place Child Care Centre has continued to maintain its high quality services, exceeding the standards required by NSW Health, the Department of Community Services and the National Childcare Accreditation Council. The Centre recently refurbished its kitchen area, upgrading food preparation facilities to commercial standards.

The Vacation Care service now operates regularly for school-aged children, while the successful placement of 20 children aged 0-3 with a local private child care centre, "House at Pooh Corner", will see Hunter Health's agreement with this centre continue through to 1999.

The Child Care Management Board, established during 1996/97, has continued to oversee the management and development of Hunter Health's range of child care services.

Our Commitment to Safety

This year has seen significant enhancements by Hunter Health to improve the safety of its staff in the workplace, as well as improving support to staff who suffer a work-related injury.

In November 1997, Professor Katherine McGrath, chaired a forum of senior Hunter Health and Treasury Managed Fund staff to formulate an action plan. A steering committee now monitors improvements in occupational health and safety, rehabilitation and workers' compensation.

Other achievements include:

- establishing an area occupational health and safety committee
- identifying and training senior managers responsible for the management of individual workers' compensation policies and rehabilitation
- establishing a reporting system for managing workers' compensation
- appointing additional rehabilitation coordinators
- establishing an Area - wide Staff Health Service
- promoting Workcover's "Due Diligence at Work" and encouraging all units to undertake self assessment
- establishing preferred arrangements with Hunter Rehab and Lingard Sports Medicine Centre
- establishing a network of local GPs to provide staff health services to Hunter Health staff.

— Staff Development —

The Staff Development Unit offers programs at its Waratah base and in locations across the Hunter. In addition to providing learning opportunities for Hunter Health staff, the Unit offers training to external agencies and has raised revenue from course registration fees. The Department of Community Services and Department of Housing have been customers this year.

In November 1997, NSW Health received approval to operate as a registered training provider for NSW Vocational and Education Training Advisory Board accredited training programs. Hunter Health has offered accredited training programs, since early 1998. 12 staff from Hunter Health have been working towards a Certificate Level 4 in Workplace Training, which will enable them to deliver accredited training programs in future.

Facilities at Waratah have become recognised by staff across Hunter Health as an excellent venue for training activities. After-hours users include the Lower Hunter Health Council and the Royal College of Nursing. The campus is also the preferred venue for the Graduate Certificate in Mental Health Nursing, which is managed by Staff Development.

The unit has also provided consultancy services by working with line managers to address organisational development needs and to facilitate meetings.

Occupational Health and Safety Training

Improving occupational health and safety (OHS) has continued to be a key goal, as reflected in the high level of training activity provided by the unit including:

- four-day OHS Workplace Committee training program
- two-hour module on accident investigation
- manual handling training.

Specific training was provided to Workers Compensation policy managers in early 1998. Following this, over 200 line managers attended information sessions which outlined the managers' roles and responsibilities and provided an opportunity for discussion on improving our safety record.

Information Technology

More staff are choosing the more self-paced flexible delivery methods for software program training.

The Community Health Information Technology (IT)

project continued with staff at four additional sites receiving operating system and software training. As the Hunter Health email network increases, so does the need to provide training for new GroupWise email users. 124 new email users were trained this year.

Computer training facilities were upgraded with the networking of the second training facility. The facilities are used by IT system project teams.

Nurse Education

This year 514 registered and enrolled nurses attended 39 different nurse initiatives. Organisation and co-ordination of the nurse initiatives is a team effort with specialised staff adding their skills to the delivery of learning activities.

For Mental Health staff, development priorities included clinical assessment and supervision. A project officer was employed to work directly with staff in mental health facilities to improve their awareness and skills in using a case management approach to clients. In the acute setting, programs were offered in women's mental health issues, working with families and management of mental health in the acute setting.

The 10 day program for nurses who wish to re-enter the workforce or upgrade their skills continued to be popular.

Management Development

Preparing our people for the challenges of management is a high priority for Hunter Health and the Management Development programs offered by Staff Development are tailored to meet that need. The NSW Vocational and Education Training Advisory Board has now accredited the Management Development programs.

Accredited training programs ensure that participants reach a standard of competency required by their industry, and are able to apply the relevant competencies in the workplace. Hunter Health staff are able to acquire a nationally recognised management qualification at ASF Level III and ASF Level IV.

Certificate Level III in Management and Team Development

- Management Development I
- Selection Techniques
- OHS for Managers
- Performance Management.

Certificate Level IV in Management and Team Development

- completion of the Certificate Level III program
- Management Development II.

The first two Certificates Level IV were awarded in April 1998, with the two staff members receiving recognition of prior learning for part of the program. During 1997-98, 219 staff completed the Management Development I program and 55 staff completed the Management Development II program. To continue its commitment to providing courses at other locations, the unit has delivered the Management Development I program at Singleton twice per year.

Management breakfasts have been introduced to enhance communication and networking between managers and provide a forum on contemporary management issues. Four breakfasts were held this year with speakers ranging from a pilot sharing his views on making decisions under pressure to senior private sector operational managers speaking on the application of quality management and developing leadership.

Quality Education Initiative

The three day Quality Facilitator program continues to be valued by Hunter Health staff and has fostered many worthwhile improvement projects throughout the health service. This year, 211 staff enrolled in the program. Because of the large number of people undertaking quality improvement activities, a more advanced program – the two day Managing Through Quality program – was offered in February and June 1998 to 33 staff.

The advanced program offers a more structured and strategic approach to quality improvement activities designed to enhance business performance. The Managing Through Quality program focuses on the management of variation, indicators to measure business performance, benchmarking and business process reengineering. Feedback from the Quality Facilitator and Managing Through Quality programs has been very positive with staff demonstrating their commitment and enthusiasm toward quality improvement within their units.

Career Development

During 1997/98 the career development program attracted applications from staff in medicine, nursing, clerical, supply services, finance and employee services. The career development coordinator surveyed staff who had been funded by the program since its inception to evaluate the impact of the program on their careers.

Of the 30 staff surveyed, 10% had adopted a completely different career pathway, most believed that the program had initiated a change in their thinking and encouraged them to a change in career focus. This year, a supervisor evaluation was introduced which has improved the career development approval process.

The program also provided an opportunity for 12 women not in management positions.

Aged Care Education

The two staff in the Aged Care Education Team based at Waratah have focused on "improving the needs of the aged", one of the objectives from the Hunter Health Corporate Plan. The Health Education Officer collaborated with staff working in aged care and in other agencies (local council, police and home and community care services) to stage an event to mark Senior Citizens Week 1998. 340 seniors attended a Healthy Ageing Information Day in March with 27 service providers holding displays and information booths.

There have been increased opportunities for staff in acute hospitals to improve their aged care skills by taking advantage of consultancy services and acute hospital education programs. Priorities for education have been managing acute confusion, and bowel management.

Education on dealing with elder abuse has been important for Hunter Health staff and Home and Community Care (HACC) funded staff. An elder abuse policy was developed in consultation with other health staff and HACC services. The development, delivery and evaluation of education programs for carer groups has continued in the Newcastle and Lake Macquarie areas. The groups have since evolved into support groups.

Public Affairs

"Public Affairs" describes the way Hunter Health communicates with the communities it serves. Each unit within the health service carries out communication activities, often with the support of the Area Public Affairs Unit.

People may not know of the vast range of health services provided throughout the Hunter until they need a particular service. To assist, Hunter Health developed a more comprehensive service directory in 1997 listing all contact numbers and service locations as well as other information about the health service. About 10,000 copies were distributed to the community during the year. This service directory, in conjunction with a more comprehensive listing in the Telstra White Pages, led to fewer calls on the HealthLink telephone service information line from people unable to find service contact details.

In addition, the following specialised services directories were developed:

- The Health Services Directory for Newly Arrived Migrants
- Non-Government Organisation Service Directory
- Singleton Community Service Directory.

Community Input

Hunter Health welcomes feedback on its services and provides various vehicles for community input.

Key to harnessing community ideas and opinions are the Upper and Lower Hunter Health Councils. Established in November 1995, the Health Councils are community-based bodies which allow consumers to have a voice in the planning and development of health services in their area.

The Upper Hunter Health Council has 350 individual members and 36 associate members (through which the Council can contact up to 5,000 people) and covers Singleton, Scone, Muswellbrook, Merriwa, Murrurundi and Dungog. The Lower Hunter Health Council has over 360 individual members and 125 associate members (through which the Council can contact up to 20,000 people) and represents Maitland, Newcastle, Lake Macquarie and Port Stephens.

This year the Upper Hunter Health Council reviewed physical access to Upper Hunter health facilities for people with a disability. The Council is yet to complete its review and will present its recommendations to the Hunter Health Board in October 1998.

Following a patient transport study, the Council also looked at the issue of appointment times with Lower Hunter specialists, which are often scheduled without reference to the travelling time of the patient. The Council

developed a "Window of Opportunity" timetable for specialists, outlining travelling times from Upper Hunter locations, to help specialists schedule appropriate appointment times.

This year the Upper Hunter Health Council aims to educate the community about appropriate use of hospital emergency departments.

The Lower Hunter Health Council has addressed various community groups during 1997/98 and dealt with concerns about issues such as hospital carparking, emergency waiting times, waiting lists for surgery, mixed gender wards and the preparation of hospital food. The two projects currently being conducted by the Lower Hunter Health Council are defining patient care and evaluating the real demand for radiology services in the Tomaree Peninsula. Final reports and recommendations for both projects are expected in late 1998.

In addition to the Health Councils, Hunter Health participates on committees in four local government areas to investigate health needs and service provision for the communities. Results this year include:

- analysis of the Dungog district's long term health needs and discussion on the best approach to meet these needs
- a patient transport service for Merriwa, with a vehicle sponsored by Northpower
- a survey of the Murrurundi area to assess local health needs
- production of a comprehensive service directory for Singleton, which includes information on the hospital, community health, emergency, allied health, general practitioner and other health-related services.

Community Relations

Providing information to Hunter communities about their health service is an important element of Public Affairs. Each month Hunter Health publishes a newsletter for staff and the community. Hunter Health also publishes this annual report, which last year won a bronze medal in the Annual Report Awards. Copies of the newsletter and further copies of the annual report are freely available by calling HealthLink on 1800 063 635.

A goal for 1998/99 is to develop Hunter Health's website, which will make information even more accessible to the community.

Hunter Health is a proud supporter of Starstruck, this year sponsoring the "New Directions" segment. We also sponsor the Hunter Institute Medal in Community Services, which was won by Advanced Certificate in

Health Fitness and Sports Training student Sarah Batley in 1998.

The local media has a strong interest in reporting health issues and supports Hunter Health and its initiatives. Last year media responded well to the 243 media releases Hunter Health issued to deliver news to the community.

Managing media issues quickly and efficiently ensures the community gets information it needs and enables staff to focus on delivering health care. This year, for example, John Hunter Hospital's Public Relations Unit responded to 1,601 media enquiries, ranging from patient condition reports to health service issues. A new system of data collection and media monitoring will begin on 1 July 1998 which will allow us to report more

Major Events

In 1997/98 Hunter Health hosted five visits from the NSW Deputy Premier, Minister for Health and Minister for Aboriginal Affairs, Dr Andrew Refshauge. These included:

October - Yallarwah Place Project launch, John Hunter Hospital.

February - visit to Nelson Bay Polyclinic to meet staff and volunteers.

March - launch of Hunter Medical Research and site visit at Toronto Polyclinic.

June - Maitland Hospital Mental Health Unit opening and Freda Bailey Chapel dedication.

July - launch of the Aboriginal Employment Strategy.

Other major events for the year included:

June - Rankin Park Unit 50th Anniversary.

July - Hunter Dental Health Van launched.

September - Hunter Health welcomes new CEO, Professor Katherine McGrath.

January - Launch of Pacific Linen and launch of five action plans for Hunter Centre for Health Advancement.

February - Belmont District Hospital 30th Birthday.

March - launch of Psychological Assistance Scheme (PAS) for young people at high risk of developing mental illness.

April - Opening of Hunter Dental Health Service's new Maitland clinic.

May - Launch of NISAD Schizophrenia Research Register during Schizophrenia Awareness Week and Opening of the Waratah Housing Units for people who have experienced mental illness.

June - Nelson Bay Polyclinic 10th Birthday.

accurately the number and nature of Hunter Health contacts with local and national media.

An important issue which raised community concern this year was the significant aged care reforms introduced by the Commonwealth Government. To help Hunter residents understand the changes, aged care staff coordinated public information meetings, spoke to community groups and distributed written materials which explained the reforms. Communication on this issue will continue in 1998/99.

Leaders in the Hunter Mental Health Service implemented a communication strategy regarding changes and improvements to the service. Mental health services were restructured as a result of several years of consultation, together with an external review. Overseen by the Hunter Mental Health Board, which is made up of consumer and staff representatives, the restructure further integrated community-based and acute mental health care. Regular communication with staff, clients of the service and the community was integral in implementing the change.

Many Hunter Health staff conducted local health promotion activities during Diabetes Week, Heart Week, Contenance Awareness Week, Seniors Week, and Mental Health Week. Other health promotion campaigns included the Active Australia Campaign, and a series of multicultural events at the Allandale Aged Care Facility. Health promotion plans implemented by the Hunter Centre for Health Advancement are described on page 50.

Fundraising and Volunteers

Each year Hunter Health gratefully acknowledges the work of many individuals and community groups which support it through voluntary work and charitable fundraising activities. These groups include United Hospital Auxiliaries and Pink Ladies groups, as well as other volunteer groups such as the John Hunter Hospital Kookaburra Carers, The John Hunter Children's Hospital Kids Club, The John Hunter Children's Hospital Research Foundation, John Hunter Hospital Play Therapy volunteers, Friends of the Birth Centre, Friends of Community Health, Open Heart Association, Hunter and Northern Kidney Association, Adamstown Gospel Chapel, Ward Grannies, Anglican Hospital Visitors, Mothers' Union, Catholic Ministers of the Eucharist, Upper Hunter Cancer Support Group, Upper Hunter Miner's Support Group, Upper Hunter Diabetes Support Group, Brook Carers, Carelink, Scone Race Club, Dungog Hospital Therapy Group, Wallsend Hospital Guardians, Allandale Chapel Fundraisers, Coogan Frame for Kurri Kurri Hospital, Kurri Kurri Joint Coal Board, Hunter Volunteer Centre as well as local businesses, Lions Clubs and Rotary Clubs.

During National Volunteer Week in May, we congratulated Mr David Armstrong from the Nelson Bay

Polyclinic on being announced Hunter Volunteer for the Year by the Hunter Volunteer Centre.

In addition to the fundraising carried out by individual groups, key health fundraising events and campaigns generously supported by the Hunter community this year included:

- NBN Telethon - raising over \$3 million to establish the NBN Children's Cancer Research Centre and improve children's cancer services in the Hunter.
- Breast Cancer Awareness Day - promoting awareness of the Hunter Breast Screen project and research into breast cancer prevention.
- Hunter Medical Research events, including a gala dinner, direct mail campaign and school "mufti" days to support health research being carried out in our region. See page 52 for more information.
- Yallarwah Place Project - the construction of an accommodation facility for relatives of Aboriginal patients at John Hunter Hospital. With strong support from the Newcastle Permanent Building Society sales of Novocastrian Tales raised over \$100,000. The Casino Community Benefit Fund also contributed \$100,000 towards this important centre while the NSW Government donated \$300,000.
- Captain Snooze Mattara Bed Race - attracted 150 participants and raised \$10,000 towards cardiac research. For the fourth year, the race was narrowly won by the NSW Ambulance Service - Northern Division Team over the John Hunter Hospital's Physiotherapy team.

Hunter Health takes its statutory obligations under the Charitable Fundraising Act seriously and has participated on a Statewide committee to develop Statewide best practice guidelines for fundraising in the public health setting. These are expected to come into effect in 1998/99.

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Non-urgent induction of labour at John Hunter

Greater Newcastle Sector staff from John Hunter Hospital's Obstetrics and Gynaecology Department won a second round Quality Award in February 1998 for their project which streamlined the admission procedure for the non-urgent induction of labour.

The project came about because activity in the delivery suite is unpredictable and women who were scheduled for pre-organised induction of labour would sometimes arrive when the delivery suite was full.

To improve communication between staff and clients, an information brochure was developed and given to women when induction was booked. This improved booking services and established a protocol through which women are notified of the best time to arrive at the hospital on the day of induction. The brochure outlines the induction procedure and possible reasons for delay.

Induction procedures have also been modified to allow women to wait at home rather than in hospital. This has reduced the number of people in the John Hunter delivery suite at any one time and streamlined the non-urgent induction procedure.

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OUR SERVICES

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— Services for Older People —

Aged Care services are provided at:

- Aged Care Assessment Team - Waratah
- Hunter Rural Aged Care Assessment Team - Kurri Kurri
- Community Options - Wallsend
- Community Dementia Unit - Waratah
- Wallsend District Aged Care Facility

- Allandale Aged Care Facility
- Muswellbrook Aged Care Facility
- Rankin Park Unit
(including Day Hospital at William Lyne, Waratah)
- Day Centres (Nelson Bay, Muswellbrook, Wallsend and Lower Hunter)
- Acute Hospitals & Community Health Centres

The increase in aged population over the next 10 years will impose additional demands on health services. Hunter Health is developing workable and efficient strategies to manage this increase. To ensure that service provision in the future will meet the community's needs, Hunter Health is using NSW Health's "Healthy Ageing Framework" to address the complexities associated with changes to the aged care system.

During 1997/98, Hunter Health's aged care services continued to provide high quality care through a wide range of hospital, aged care facility and community based services.

All aged care services in the region felt the impact of the Aged Care Reform Act changes. Hunter Health staff met the challenge of educating themselves about the changes and took every opportunity to inform the community about the reforms.

Aged Care Assessment Teams

ACAT Waratah includes Ethnic Aged Care and the Community Dementia Unit. Key achievements for the service during 1997/98 include:

- consolidation of the Community Dementia Unit, which increased the ability to cater for the needs of carers for people suffering from dementia.
- participation in the pilot Veterans Affairs Preventive Care Trial, aimed at improving the health and well being of ageing veterans.
- establishment of a protocol for working with Aboriginal health services to ensure access to ACAT for Aboriginal people. This resulted in improved

relationships with Aboriginal Home Care and the Awabakal Medical Service.

- the accreditation of aged care services, which promoted a greater understanding among staff of quality improvement.
- the education of staff in management and quality improvement so that they are better equipped to improve performance.
- the implementation of computer networking throughout the service which has provided better access to patient computer data.
- improved response rate to referrals based on a review of geographic areas and staff allocation.

The Hunter Rural Aged Care Assessment Team provides services to the Upper and Lower Hunter.

Key achievements for 1997/98 include:

- a part-time rural aged care services coordinator becoming full time, which meant service provision improved.
- a funding submission for a specialist dementia nurse in the Upper and Lower Hunter was successful.
- contribution to a successful funding submission to establish a Hunter carer respite centre.
- commencement of an education/orientation program for junior medical officers at the Maitland Hospital, supported by a resource package. This has resulted in an increase of 30% in the number of people seen by the staff specialist geriatrician in seven days or under following admission. The project has also seen an increase of 70% in the number of people seen seven to 14 days following admission, and an increase of 40% in consultative assessments under-

taken over five months of 1998 (compared with the same period in 1997).

- Rural ACAT has achieved better waiting times from referral to assessment than the State average.

During 1997/98 the continuing lack of success in filling the second geriatrician position placed great demand on the team and the staff specialist geriatrician in particular as the number of referrals increased. Current recruitment strategies will be reviewed so that more effective measures can be implemented to address this problem.

This year, Rural ACAT aims to monitor all activities to ensure that services are provided within a quality framework. Effective partnerships will be developed with older people and their families, together with the range of people providing services, so that older people are able to make informed choices and receive care and services to meet their needs.

Allandale Aged Care Facility

Allandale Aged Care Facility is an adjusted fee State Government nursing home operated to comply with the outcome standards set by the Commonwealth Department of Health and Family Services.

Allandale improved the quality of its service this year by reviewing and developing a draft resident assessment model and benchmarking pharmaceuticals with Wallsend and St Joseph's aged care facilities.

A review of the way injured workers are managed and return to work at Allandale led to a standardised formal approach to case management and return to work on adjusted duties for injured staff. This achieved a reduction in staff on long term workers' compensation and early return to work for injured workers.

Key achievements for 1997/98 include:

- a successful pilot of the Assistants In Nursing program, a NSW Vocational and Education Training Advisory Board accredited course, with over 90% of participants gaining an accredited Level III Certificate.
- a successful volunteer training program, "Golden Spooners", was provided by the facility's speech pathologist to train volunteers to assist with feeding residents. The program resulted in better volunteer integration and assistance.
- the implementation of an electronic management system for resident finances, improved information processing and reporting for residents and their families.
- implementation of a Regothermic hot food service, which means that residents now enjoy a home-style environment, improved presentation and crockery dinner settings. Staff are also being trained in safe food handling.

- considerable ongoing education provided to staff at all levels regarding changes flowing from the Commonwealth Aged Care Reforms.

- the approval and initiation of planning processes for the redevelopment of Allandale Aged Care Facility, which resulted in staff consultation at all stages and aspects of the process.

During 1997/98, Allandale addressed the challenge of changing requirements for Resident Classification System documentation, which meant consultation with other aged care providers and the Commonwealth.

During the year the project definition plan for the redevelopment of Allandale Aged Care Facility was completed by staff through excellent teamwork.

The issue of workers' compensation was addressed with an action plan incorporating proactive and control measures and education and manual handling strategies for managing the current environment.

Another challenge for the year was the Commonwealth Department of Family and Community Services certification requirements, which meant the refurbishment of Mulbring, Laguna, Bellbird, Pokolbin, Dalwood and Wollombi units at Allandale.

The major goals for Allandale during 1998/99 include:

- commencing building works on the 'new' nursing home.
- improving and consolidating funding for resident care, with a major emphasis on the quality and appropriateness of documentation.
- meeting accreditation and standards.
- identifying future options for the reuse of existing facilities, which will involve consultation with staff, local council and local members of parliament.
- developing a total quality management approach to services across the facility.
- developing and implementing a comprehensive occupational health and safety management plan with emphasis on risk assessment and control.

Community Dementia Unit

The Community Dementia Unit was established in May 1997 with assistance from the Aged Care Assessment Team and services include counselling, case management, education and specialised clinical services for carers, families and people with dementia.

Key achievements for 1997/98 include:

- all three clinical positions filled by December 1997, resulting in decreased waiting times for clients as well as increased support and counselling offered to clients.
- the completion of the first year of functioning and six months with a full complement of staff. This provided

consistent service for clients and allowed the continuing collection of community education base-line statistics from which to benchmark in future.

- assisting with the establishment of the Belmont/ Eastlakes Alzheimer's support group, which has resulted in an increase in carer support to an area which was largely uncovered.
- establishing a resource library through which clients, families and health professionals can access information about dementia.
- specialised services offered to all Hunter Health areas, especially in the Lower and Upper Hunter and Port Stephens. 308 clients were seen in Newcastle and Lake Macquarie.

The major goals for the Community Dementia Unit in 1998/99 include:

- bringing together carers in an isolated semi-rural area by facilitating the establishment of the Nelson Bay Dementia Support Group.
- using grant money to research the support and education needs of those who care for people with dementia.
- providing education sessions for carers of people with newly diagnosed dementia, including management techniques, carer stress management and support needs.
- establishing a support group for people with early onset dementia and their partners.
- examining ways of supporting staff and debriefing them after intense or complex family and individual counselling sessions.

Community Options Project

The Community Options Project supports over 200 people living in the community with moderate to severe disabilities by providing individual case management and brokerage services. Associated services include the Westlakes Dementia Respite Service, Hunter Carer Respite Centre, the Westlakes Multicultural Day Centre and the Ethnic Home and Community Care (HACC) Coordinator.

Key achievements during 1997/98 include:

- organising two respite holidays for clients and carers at Camp Breakaway, San Remo, which allowed carers and "dependent people" to holiday together as well as contributing to a reduction in carer stress.
- the inception of the Hunter Carer Respite Centre to address previously unmet respite needs and widen carers' options.
- the transfer of the Ethnic HACC Services Co-ordinator to Community Options, which improved liaison and cooperation between HACC and Hunter Health.

Services for Older People

An "older" person is defined as someone 65 years or older. In 1997/98:

- 13.9% of people in the Hunter were 65 or older
- Of the 47,177 people registered with Community Health Services, 11,057 were older people.
- 457 nursing home beds were administered by Hunter Health.

On an average day in the Hunter...

- ~ 592 people were waiting in either public health facilities (117) or in their own homes (472) for aged care residential placement.
- ~ People who were in an acute hospital waited 19 - 72 days for aged care residential placement.
- ~ People who were at home waited 69 - 138 days for aged care residential placement.

For people who are 65 or older, the most common individual diagnoses for acute hospital admission were:

Renal dialysis	19.8%
Heart Failure and Shock	2.5%
Uncomplicated Lens Procedures	2.5%
Chronic Respiratory Disease	2.1%
Minor Gastroscopy Procedures	2.1%
Rehabilitation	2.0%

Westlakes Dementia Unit

Key achievements during 1997/98 include:

- organising a four day respite holiday as well as providing an evening group outing once a week for people with dementia and their carer. Social events such as these reduce isolation for carers and also reduce evening agitation for those with "sundowners syndrome". A carers picnic was also held to recognise the contribution carers make to the community.
- assisting the Toronto and Morisset carers groups by broadening networks available to carers while preserving the individual identity of each group. This has meant greater focus and expertise is available at group meetings.

To address difficulties with acutely ill older people being admitted to hospital, the Westlakes Dementia Unit introduced a new process which improved communication between hospitals and patient geriatricians via ACAT.

During 1997/98, coordination and cooperation between community services was improved by increasing the number of joint visits with other service providers, including home care, ACAT, day care, Community Dementia Service and community nurses.

Goals for 1998/99 include:

- improving the continuity of care for clients, in collaboration with the Alkira Respite Service, and providing in-home staff with greater support and educational back up.
- improving the range of respite options available to people who suffer from "sundowners syndrome".

Hunter Carer Respite Centre

Key achievements during 1997/98 include:

- provision of after hours emergency respite for people whose carers were admitted through the John Hunter Emergency Department.
- provision of emergency respite during normal working hours, which has meant that people receive up to three days in-home respite if their carer is suddenly unavailable.
- the establishment of the rural residential respite booking service so that carers now only need to make one call to secure a booking.
- provision of in-house respite to carers of people receiving palliative care.
- formation of a carers' support group in Maitland.
- establishment of an 1800 number to provide information and coordination service for carers.

Goals for 1998/99 include:

- establishing a 24 hour emergency phone line for carers.
- improving access to respite for Aboriginal and Torres Strait Islanders and people from diverse cultural backgrounds.
- establishing a carer network in the Hunter.
- establishing a Rural Carer Respite Centre to focus on rural respite needs.

Westlakes Multicultural Day Centre

The Westlakes Multicultural Day Centre was established to help alleviate isolation for frail aged people from culturally diverse backgrounds and their carers. This led to an improvement in the level of access to HACC support services.

Westlakes Multicultural Day Centre staff overcame the challenge of promoting the centre to culturally diverse groups in the Westlakes area by forming links with

local service providers (such as general practitioners) to raise awareness of the service.

Establishing a suitable venue in the Morisset area ensured stability for local day centre clients.

Goals for 1998/99 include:

- establishing a Multicultural Day Centre at West Wallsend
- promoting the Multicultural Centre.

Ethnic Home and Community Care Service Coordinator

Key achievements during 1997/98 include:

- hosting an information session to improve knowledge about Hunter Health services among culturally diverse consumer representatives and service providers
- a quarterly "Hunter Ethnic Aged Service Network" forum led to better liaison and networking between ethno-specific and mainstream services, resulting in improved services for clients.

Goals for 1998/99 include:

- conducting extensive consultation with the HACC target population to determine unmet needs.
- ascertaining needs and issues for younger people from culturally diverse backgrounds who have disabilities.

Mercy Community Care

Mercy Community Care is owned by the Sisters of Mercy and is based at 32 Union St, Tighes Hill. Funding is received from Hunter Health through a Non-Government Organisation grant. Services include a day care centre and community nursing.

Key achievements for 1997/98 include:

- community nurses completed 5,630 occasions of service and assessed 55 new clients. This service has enabled more people to remain at home while receiving high calibre nursing care.
- day care centre staff assessed 35 new clients and provided 2,240 occasions of service, resulting in more local residents accessing physical, mental and social activities outside their homes.
- streamlining nursing services to high dependency nursing clientele, resulting in more immediate care for those in need.
- introduction of a weekend community nursing service on a needs basis, which means a more flexible and responsive service for clients.

A major challenge for Mercy Community Care during 1997/98 was maintaining a broad range of community nursing services within limited resources. This issue was solved by reassessing clients where appropriate and using appropriate referral networks for non-nursing referrals.

This year Mercy Community Care has developed a new brochure which outlines the services provided as well as a detailed description of how to access them.

Goals in 1998/99 include:

- continuing the high quality service currently provided in the day care centre and introducing a personal hygiene education program for clients, especially those with a developmental disability.
- maintaining a high level of quality client care and nursing skills.
- increasing weekend services.

Muswellbrook Aged Care Facility

Muswellbrook Aged Care Facility has 18 beds and is located on the ground floor of Muswellbrook Hospital. Since the facility was officially opened in July 1996 a total of 73 residents have been admitted for care.

During 1997/98, Muswellbrook Aged Care Facility improved service quality through a quality improvement project, "A Safety Vision", which developed a prototype TV stand that can be attached to a bed. This will reduce clutter and improve occupational health and safety for both residents and staff.

Other key achievements for 1997/98 include:

- the implementation of new nursing care plans which have improved communication between resident, families and staff.
- the installation of a standing lifter that has reduced skin tears to residents by 100% and improved workplace safety through reduced staff strains and sprains.

Goals for 1998/99 include:

- providing quality care that involves increased relative participation.
- preparing for accreditation by the Australian Council on Healthcare Standards.
- reducing occupational health and safety risks and reducing the number of falls in the facility.

Rankin Park Unit

The Rankin Park Unit is located on the John Hunter Hospital campus and has a high profile in the community. The Unit also includes the William Lyne Day Hospital at Waratah. More than 439 patients were

treated at Rankin Park during the year.

Key achievements for 1997/98 include:

- building renovations, which improved patient care areas for retraining activities.
- participating in phase one of NSW Health's sub-acute and non acute patient classification project, which improved data for planning and budgeting.
- an improved numerical profile score which means a safer working environment for staff and patients and lower workers compensation premiums.
- recruitment of a new geriatrician, which resulted in more timely consultations for patients.
- installation of a patient alarm system, to improve security for patients.

A major challenge during 1997/98 was identifying the reason for length of stay being longer than the national average. This problem was analysed and solved by transferring 16 beds and appropriate staff to a transitional ward at Royal Newcastle Hospital. Reduction in the length of stay was achieved by improving work practices at the unit.

The aged care review was finalised and resulted in the appropriate number of rehabilitation beds being identified as well as admission criteria and care processes being documented.

The unit also dealt with planning major outreach services, which led to the Rapid Response Program for the William Lyne Day Hospital.

During the year, the Rankin Park Unit improved the quality of its services by holding a rehabilitation nursing course for both public and private system nurses, which improved nursing knowledge and will contribute to improved patient care.

Community education was a focus when the unit participated in the Seniors' Expo.

In addition, an audit was conducted across the John Hunter Hospital campus to evaluate the appropriate height of hospital beds, which resulted in revised specifications for the state bed contract.

Goals for 1998/99 include:

- establishing new admission criteria and patient management processes.
- renovating and relocating the William Lyne Day Hospital to the Rankin Park site.
- implementing and evaluating the stroke and amputee clinical pathways.
- increasing research and quality activities.

William Lyne Day Hospital

The William Lyne Day Hospital is part of the Rankin Park Unit and is located at Hunter Health's Waratah Campus. It provides nursing and medical services, speech pathology, physiotherapy, occupational therapy and welfare services.

Key achievements for 1997/98 include:

- standardised care plans for multidisciplinary use which will provide service documentation and ensure ongoing treatment is readily accessible.
- introducing an information folder for all patients following a stroke.
- computer networking to provide quick and easy communication and access to information.

Goals for 1998/99 include:

- maintaining the day hospital as a unit when relocated to Rankin Park.
- implementing the Rapid Response Program.
- acquiring a new bus for the hospital.

Wallsend Aged Care Facility

Wallsend Aged Care Facility has 103 beds, including a 29 bed secure dementia unit. Key achievements for 1997/98 include:

- three years accreditation for the first time under the Australian Council on Healthcare Standards, which has resulted in improved quality of care for residents.
- the purchase of mechanical lifters and safe handling equipment which resulted in five months free of injuries and workers' compensation claims.
- publication of a research project titled 'Manifestation of Agitation' by the Nursing Development Unit, which now allows nurses to practise more appropriate "evidence based" care.
- the reorganisation and refurbishment of the in-house laundry, which better meets infection control standards.
- installing split-system air-conditioning to all residents' bedrooms to improve comfort.
- extension of the facility's courtyard, resulting in more privacy and space for outside activities.
- distribution of brochures so that information about the facility can be easily accessed by residents, carers and the community.
- the appointment of a part-time social worker and quality improvement coordinator.

- purchase of a new bus for resident outings so that they can now travel in safety and comfort.
- participation in the Seniors Expo, which allowed staff to promote their services and educate the community about aged care.

Goals for 1998/99 include:

- self-assessment under new Commonwealth Standards when they are published, then setting a date to be accredited under the Commonwealth.
- purchasing new cleaning equipment.

Where's Eddie?

One of the winners of Hunter Health's second round of Quality Awards in February 1998 was an Upper Hunter project titled "Where's Eddie?".

The project was developed by a team of nurses at Murrurundi Hospital, headed by Alison Charlton. The movements of handyman Eddie around the hospital were tracked in order to try to minimise the amount of time spent locating him. As a result of the project, a two-way radio was issued to Eddie and staff are saving about nine hours a month. Similar communication systems using mobile phones have also helped with locating other key staff who have to spend much of their time away from the hospital.

— Services for Children and Young People —

Services for children and young people are provided at:

Community Health Centres (21)

Wallsend Health Campus

John Hunter Children's Hospital, Newcastle

Paediatric care at other hospitals

Family Care Cottage, Waratah and Maitland

Child and Adolescent Family Health Teams, Newcastle

The commitment of the Hunter community to its children has been outstanding this year. The NBN Telethon in December 1997 raised \$3 million, much more than anyone expected!

During the year child protection services and support for families were enhanced. Our philosophy of interagency collaboration was illustrated in continued relationships with the Department of Education and Training, Department of Community Services, Ageing and Disability Department, Aboriginal Health Services and Non-Government Organisations. A success story from the collaboration was the implementation of the Aboriginal outreach health service in the Upper and Lower Hunter, providing health services to children and mothers.

The Child and Youth Health Network (CAYHNet), an integration of Child Adolescent and Family Health Services and the John Hunter Children's Hospital, has been operating for two years. This service combines 340 staff within the Greater Newcastle Sector to provide continuity of care for children and adolescents in the community, hospital and home.

Services for children and young people are provided at sites across the Hunter. Staff from CAYHNet also go regularly to Muswellbrook, Cessnock, Dungog and Port Stephens to provide services.

Acute Services

Acute paediatric services are provided at the following Hunter Health hospitals for children and young people:

John Hunter Children's Hospital

Maitland Hospital

Singleton District Hospital

Cessnock District Hospital

Muswellbrook District Hospital

Scott Memorial Hospital, Scone

Key achievements during 1997/98 include:

- workshop for continuing education of nursing staff in the Upper Hunter by specialist paediatric nurses.
- introduction of paediatric day surgery at Maitland Hospital.
- appointment of a mental health liaison worker at John Hunter Children's Hospital to coordinate the mental health needs of inpatients.

- John Hunter Children's Hospital Kids Club was instrumental in raising over \$140,000.
- John Hunter Children's Hospital Research Foundation raised around \$94,000 during the year. Since its inception, the Research Foundation has raised \$216,000.
- appointment of Dr Eric Ho and Dr Patricia Davidson as Associate Professors to the Board of the Council of the Royal Australasian College of Surgeons.
- formal evaluation of Stage 1 of Child and Youth Health Network (CAYHNet) Services.
- the development of a protocol and induction program for CAYHNet volunteers in line with recommendations from the Wood Royal Commission.

Goals for these services for 1998/99 include:

- introducing sleep studies at The Maitland Hospital paediatric unit.
- establishing a quality project to review paediatric surgical admissions to Muswellbrook District Hospital.
- extending the John Hunter Children's Hospital play and activities program with help from volunteers.
- developing an area-wide Child and Adolescent Health Services strategic plan.

In 1998/99 CAYHNet aims to recruit a paediatric oncologist and improve oncology services for children with support of funds raised in 1997 NBN telethon.

Child Health Services

Early childhood services are provided at 43 locations across the region and other services are provided at the Wallsend campus and community health centres. Key achievements for 1997/98 include:

- the extension of services to Merriwa District Hospital, including the introduction of a parenting group.
- home visiting by a child health nurse following the closure of the Aberdeen Clinic.
- intensive education programs for child health nurses in the Greater Newcastle Sector on screening and managing post-natal depression, child protection and the effects of child sexual assault.
- Hunter Health provided \$100,000 for an assessment study of the needs of families with children with difficult behaviours.

- design and implementation of a management system for speech therapy service in the Upper Hunter Sector.
- the introduction of "Adjustment to motherhood and understanding your new baby" groups by the Family Care Cottage, Waratah Campus, in conjunction with child health nurses.

Goals for 1998/99 include:

- a review of structural and environmental conditions of Child Health Clinics in the Greater Newcastle Sector.
- implementing changes to school screening, audiometry, early childhood and immunisation policies in the Upper Hunter.
- increasing early childhood outreach services in the Upper Hunter.
- investigating school programming and a consultative model of service delivery in all schools across the Upper Hunter area, particularly in isolated areas.

Child Protection

The child protection service at Hunter Health was established in February 1998 as a result of the Wood Royal Commission and provides counselling services to substantiated counts of abuse.

Key achievements for 1997/98 include:

- enhancement funding for the establishment of a Hunter Health Physical Abuse and Neglect of Children (PANOC) team in the Greater Newcastle area.
- appointment of PANOC staff to provide counselling services to children and families where abuse has been substantiated by the Department of Community Services, as well as to facilitate the coordination of PANOC policy development and education throughout Hunter Health.
- recurrent funding from NSW Health for the development of the sexualised behaviour program for children under 10 years. The project is a joint initiative with the Sexual Assault Unit and the Child and Family Centre.

Goals for 1998/99 include:

- the consolidation of PANOC Services within CAYHNet and the recruitment of counsellors for the Upper and Lower Hunter services.
- recruitment of an educator for a 12 month period to assist training for all staff on child protection issues.
- review of Level 6 child protection services at John Hunter Children's Hospital relating to team membership, referral and intake processes, case management and the role of medical officers.

- ongoing development of collaborative working relationships with health and other government and non-government organisations to facilitate optimum service provision.

Rehabilitation/Early Intervention

Hunter Health rehabilitation and early intervention services for children and young people include brain injury rehabilitation and the Early Intervention Information and Service Coordination Agency (EIISCA).

Key achievements for 1997/98 include:

- the permanent appointment of a paediatric brain injury case manager to provide ongoing rehabilitation coordination.
- developing the paediatric brain injury rehabilitation program (PBIRP) submission for consideration by Hunter Health and Motor Accident Authority (MAA).
- establishing an equipment pool for students at the Hunter Orthopaedic School.
- establishing after hours school care for students from the Hunter Orthopaedic School and extending this service to include students with disabilities from other services such as The Stuart Centre.
- recruiting a project officer to facilitate data collection on the met and unmet health and therapy needs of physically disabled and chronically ill children in mainstream schools in the Hunter area.
- the May launch of the Greater Newcastle Early Intervention Information and Service Coordination Agency (EIISCA) to support families in Newcastle, Lake Macquarie and Port Stephens who have young children with a developmental delay or disability. EIISCA is a community service funded by the Ageing and Disability Department and is supported by local early intervention services, Hunter Health, the Department of Education and Training and the Department of Community Services.

Goals for 1998/99 include:

- establishing a paediatric brain injury rehabilitation program as a joint initiative for Hunter Area Rehabilitation Service (HARS) and (CAYHNet)
- improving coordination of existing services by increasing interagency collaboration at a clinical and management level.
- developing an optimal data base on health needs of children with disabilities within the Hunter region.
- coordination of existing services for early intervention for children 0-5 years in Greater Newcastle.
- developing a strategic plan for paediatric rehabilitation services within the Hunter area.

Immunisation

Immunisation rates in Australia are amongst the lowest in industrialised countries, with many third world countries having higher rates. The issue was highlighted this year with outbreaks of whooping cough and when the Federal Government launched its measles immunisation campaign.

Figures released by the Australian Childhood Immunisation Register indicated that as of 31 March 1998, the Hunter had the highest percentage in the State of children under 18 months of age who were fully immunised (86.6%). The Hunter ranks first out of the 17 State health areas for immunisation rates. The State average is 80.5%.

Opportunistic immunisation was offered by child health nurses in the Greater Newcastle Sector, to families identified as being unimmunised. 220 immunisations were administered under this program in 1997/98.

Goals for 1998/99 include:

- remaining on target to meet the national goals of having 95% of children under 5 years of age fully immunised by Year 2000.
- continuing to promote opportunistic immunisations throughout health facilities.
- supporting the 1998 measles immunisation campaign to have all primary school aged children immunised with the second measles mumps rubella immunisation.

Kid's Kare Line

Hunter Health's innovative telephone help line for parents of unwell children is staffed by experienced paediatric nurses who give appropriate advice to parents. A survey has shown that the service is valuable and appreciated by families. The concept is so successful that other hospitals are now emulating the service.

Kids Kare Line received over 8,300 calls this year from parents and carers requesting information and support. This is an increase of 1,000 calls on 1996/97 with no increase in resources. Kid's Kare Line staff continue to seek external funding to support the development of this innovative model and to maintain current levels of service excellence.

Neonatal Intensive Care Unit

The Neonatal Intensive Care Unit (NICU), located at John Hunter Hospital, provides intensive care services for young children. During 1997/98 the unit had 1,268 admissions, an occupancy rate of 92.4% and an average length of stay of just over 20 days.

Key achievements for 1997/98 include:

- the employment of a fourth neonatologist, which will allow the level and quality of service to increase.
- collation of incident reporting to allow a quarterly review, which will identify trends and resolutions.
- the delegation of two neonatal nurses to New Zealand to gather information about the Hudson Continuous Positive Airway Pressure (CPAP) treatment in NICU.

Goals for 1998/99 include:

- successfully introducing and establishing the Hudson CPAP Respiratory Support service.
- reviewing and streamlining discharge planning in NICU to improve outcomes for families.
- submitting the neonatal nurse clinician course for accreditation through the NSW College of Nursing.

Children and Young People

A "child" is defined as someone aged 0-14 years. A "young person" is defined as someone aged 15-19 years. In 1997/98:

- 28.4% of people in the Hunter were children or young people.
- About 0.4% of the Hunter's population were children and young people of Aboriginal or Torres Strait Islander origin and 1.5% were from culturally diverse backgrounds.
- Of the 47,177 people registered with Community Health Services in 1997/98, 9,850 were children and 1,692 were young people.

On an average day in the Hunter...

- The Kids Kare Line receives 23 calls for advice about children's health issues.
- 10.8% of acute public hospital inpatients are children (excluding newborn babies that are well) and 3.3% are young people.

For children and young people, the most common individual diagnoses for hospital admission were:

Children

Bronchitis and Asthma	7.2%
Neonatal Admission	6.0%
Gastroenteritis (under 10 years)	4.5%
Fractures, Sprains, Dislocations	3.8%
Tonsillectomy and/or Adenoidectomy	3.1%

Young People

Uncomplicated Childbirth	7.5%
Renal Dialysis	5.7%
Other Pregnancy-related Admissions	3.4%
Abdominal Pain	3.0%
Uncomplicated Appendicectomy	2.2%

Mental Health Services

Mental Health Services are provided at:

Community Mental Health Teams (Newcastle, Lake Macquarie, Hunter Valley)

Child and Youth Mental Health Services

Child Psychiatry Service, Wallsend Campus

Community Adolescent Team, The Junction

Psychiatric Rehabilitation Services

Psychiatric Rehabilitation Service, Newcastle

Residential Rehabilitation Team, Mayfield

Banksia House Social and Vocational Rehabilitation, Broadmeadow

Kurpinta Vocational Rehabilitation, Newcastle

Pelican House, Cardiff

Jumbana, Newcastle

Adult General Psychiatry

James Fletcher Hospital

Morrisset Hospital

Maitland Mental Health Unit, Maitland

Dual Diagnosis Service

Psychiatric Addiction Service, Newcastle, Wallsend

Consultation Liaison Services

John Hunter Hospital

Hunter Mental Health Services have restructured to enhance service integration. The restructure has resulted in the development of three clinical streams - Child and Youth Mental Health, Adult General Psychiatry and Psychogeriatrics. Adult General Psychiatry is the largest stream and has three components: special programs, acute care and rehabilitation.

These streams are provided by hospitals and community-based services, supported by other essential services including allied health, Aboriginal liaison, multicultural support, education and research. Other key achievements for 1997/98 include:

- commissioning the Maitland Mental Health Unit, resulting in enhanced service availability to people of the Hunter Valley and Port Stephens.
- accreditation of Morrisset Hospital by the ACHS.
- refurbishing Rosella Lodge, Morrisset Hospital, enabling the remaining double story inpatient unit on the site to be vacated. This improved patient accommodation by eliminating a dormitory sleeping facility and creating road level access for all clients and services.
- the opening of a plant nursery at the Bellbird centre, in collaboration with adult education services, providing meaningful work for patients. Literacy and numeracy courses have also been conducted for some patients.
- establishing of a research and development unit in collaboration with Faculty of Nursing, University of Newcastle, helped develop best practice mental health care.
- implementing an aggression database, a multi-function needs assessment, and 32 assessment tools which now provide outcome measures for intervention strategies and highlight priority areas.
- introducing grand rounds across Hunter Mental Health, allowing comprehensive clinical review of care options, educational opportunities for clinical staff and a sharing of experiences.

- appointing psychiatrists as clinical directors of adult general psychiatry streams within mental health, enhancing specialist medical staff within the area and improving clinical direction for the streams.
- amalgamating child, adolescent, peri-natal and early psychosis mental health services under a specialist clinical director, thereby coordinating service provision.
- establishing a psychiatric emergency centre including a toll free 1800 number information and assessment service 24 hours a day for consumers, carers and health care providers.
- developing a suicide awareness and response manual, in association with the Hunter Institute of Mental Health, providing ready access to information on risk factors and behaviours, referral options and management strategies. This was distributed to G.P.'s, school counsellors and other service providers.
- two consumers were employed to provide input into service issues, assist in management decision making and provide consumer advocacy.

Hunter Mental Health overcame many challenges during 1997/98. Restructuring the service aroused fears that Morrisset Hospital was being downgraded. These fears were defused by demonstrating the quality of the services housed at Morrisset Hospital.

Regular staff forums provided information on the implementation process and allowed staff to express interest in positions made available. Those directly affected by the changing focus of mental health delivery were redeployed.

To contend with the closure of boarding house accommodation in the area, Hunter Mental Health established a database of boarding house clients and identified those with specific mental health needs. Temporary accommodation at Dudley, Allandale and Waratah was opened and a unique partnership with

the Department of Housing was forged to provide specialist accommodation to mental health clients.

Establishing a clear agreement with Northern NSW areas in relation to the use of Hunter mental health resources proved to be a challenge that was addressed through regular forums with directors of Northern NSW Area Health Services.

To reduce the impact of the workers' compensation premium across Hunter Mental Health, all staff became actively involved in shared rehabilitation responsibility and encouraged education, implementation of safety data sheets and safe operating procedures for all tasks that demonstrate a safety risk.

Developing performance plans for the three mental health teams (Newcastle, Lake Macquarie, Lower Hunter) meant embracing a shared care approach.

During 1997/98, Hunter Mental Health improved the quality of its services by establishing short term relative accommodation on the James Fletcher Hospital campus to assist families or significant others to maintain close contact and provide support to patients with long term illness.

The service also gained greater insight into patient requirements and desires with the introduction of forums led by people with a mental illness. This has provided the opportunity for issues to be raised and addressed while patients are still receiving care.

A questionnaire for relatives allowed mental health staff to gain knowledge about perceived requirements for information. This led to the development of comprehensive information packages for patients and relatives. Signage throughout Hunter Mental Health has also been improved as a result of this survey.

The Community in the Lake Macquarie areas identified boredom as a contributing factor in their illness, which has led to the establishment of the Lake Macquarie Clubhouse at Cardiff and the drop-in centre at Morisset.

Goals for 1998/99 include:

- recruiting to senior positions identified in the organisational restructure, thus allowing full implementation of the restructure for Hunter Mental Health.
- completing the refurbishment of the Officers Quarters, James Fletcher Hospital to allow the transfer of the Discipline of Psychiatry from University of Newcastle to James Fletcher Hospital. The transfer will include the establishment of the Graduate School of Mental Health Studies.
- completing the relocation of dual diagnosis services to the James Fletcher campus, allowing early detection and better integration of services for people who are mentally ill and also have a substance use problem. This relocation also provides the opportunity to enhance dual diagnosis services by establishing specialist community positions.
- improving links between Child and Youth Mental Health Services and the Child and Youth Health Network in the provision of services for children and young people.

- consolidating the neuropsychiatry centre, psychiatric rehabilitation service and forensic/secure services through the Morisset Hospital campus.
- completing the implementation of the Australian clinical guidelines for early psychosis interventions into the psychological assistance service.
- creating a suicide risk minimisation service for psychogeriatrics, which will also act as a resource for other aged care agencies. This involves continuing strategy development aimed at identifying at-risk behaviour and reducing youth suicide.
- continuing negotiations with Hunter Health regarding the inclusion of Belmont, Newcastle and Maitland Hospitals in an area-wide consultation/liaison psychiatry service for the Hunter.
- refining and further developing the role of the Centre for Psychotherapy on the James Fletcher campus.
- continuing Hunter Mental Health's performance improvement in the area of workers' compensation.
- improving facilities for patients and staff in the Psychiatric Emergency Centre reception area.
- revising the priorities for capital works within Hunter Mental Health, given the delays with the commencement of the John Hunter Hospital mental health units.
- continuing activities that will allow additional revenue to be gained for Hunter Mental Health.

Mental Health Services

One in five Australians will experience mental illness during their lives.

An estimated 4,300 people aged over 65 years had dementia during 1997/98.

285 people aged 65 or over, 2,445 people aged 20-64 and 178 people aged 0-19 were diagnosed and/or treated by Hunter Mental Health inpatient facilities during 1997/98.

On an average day in the Hunter

- 7 people are admitted to an acute mental health facility.
- 1 person is admitted to a long-stay mental health facility.
- 27 people register for care with the Community Mental Health teams.

In Mental Health, the most common diagnoses for hospital admission are:

Acute Facility

Schizophrenia Disorders	25.0%
Major Affective Disorders	24.8%
Personality Disorders and Acute Reactions	20.6%

Long Stay Facility

Alcohol Use Disorder /Dependence	42.0%
Other Drug Use Disorder/Dependence	31.4%
Schizophrenia Disorders	18.2%

Caring for Mothers and Babies

Services for mothers and babies are provided at:

Belmont District Hospital

Cessnock District Hospital

John Hunter Hospital

Maitland Hospital

Muswellbrook District Hospital

Scott Memorial Hospital, Scone

Singleton District Hospital

Child Health Centres

Community Health Centres

Family Care Cottages (Waratah and Maitland)

Hunter Genetics Unit

Neonatal Intensive Care Unit (John Hunter Hospital)

Declining birth rates have been experienced over a number of years at Hunter Health (see Key Indicators, page 4), and the establishment of private obstetric services has also impacted on public hospital services. Hunter Health routinely reviews its services to ensure they are accessible, viable and of high quality.

Hunter Health provides care and support for mothers during pregnancy, childbirth and the first months of a baby's life. The full range of difficulties, concerns and conditions are covered: from natural and uncomplicated childbirth through to the complex and life threatening; genetic counselling and preparation for parenthood classes through to early childhood centres.

For women with special needs, services are available through the family care cottages, genetic counselling service, prenatal diagnosis clinic and high risk pregnancy clinics. John Hunter Hospital is one of the few hospitals in NSW with high risk obstetric, neonatal and adult intensive care facilities all on one site. Antenatal care is available through a range of options, including a private obstetrician, shared care with general practitioners, team midwifery, birth centre teams, visiting midwives and antenatal clinics. Inpatient care is available throughout the Hunter area, with a day care option available at John Hunter Hospital for women with antenatal problems.

Mothers and Babies

During 1997/98:

- 6,193 babies were born in Hunter Health hospitals.
- The average age of mothers at the time of baby's birth was 27.5 years.
- 35 mothers were from a culturally diverse background.
- 68 mothers were from an Aboriginal or Torres Strait Islander background.
- 1,268 babies were cared for by the Neonatal Intensive Care Unit (NICU). The average length of stay was just over 20 days.
- Hunter Health Child Health Centres cared for 2,826 babies under one year of age.

In 1997/98 more women elected to have their antenatal care provided by their general practitioners in a shared care arrangement with the hospital clinics. The number of women choosing private obstetricians for their antenatal care has continued to fall. The number of women who give birth with the assistance of a midwife is increasing annually, and the number of doctors attending births continues to decline.

Again this year, more women chose to return home within three days of birth, and we have provided more resources for the development of home maternity services, early discharge programs and domiciliary outreach services. After birth, support and assistance is available through lactation consultants, the home maternity service and the postnatal depression support or ACE team, as well as a range of allied health services such as physiotherapy, dietary, social work, drug and alcohol services and many more.

Premature babies or those with special needs find the required expertise in the Neonatal Intensive Care Unit at the John Hunter Hospital, the only one of its kind in NSW outside metropolitan Sydney, or in the special care nurseries at the Maitland and Belmont Hospitals.

Early childhood nurses work with parents and children in areas such as health screening, information, counselling, support and the early identification of problems. Domiciliary outreach programs assist families with special needs and Hunter Health provides a collaborative agency approach to the care of mothers and babies, with many facilities working together.

Through the major teaching hospitals in the region and in conjunction with the University of Newcastle, Hunter Health contributes to the training of nurses, doctors, midwives, specialist obstetricians and other allied health professionals. The Graduate Diploma in Midwifery is an innovative program for the education of midwives and is conducted in partnership with the University of Newcastle. As well, postgraduate nursing programs are conducted in gynaecology, women's health, parenting education and neonatal intensive care.

Hunter Health has a commitment to quality service to mothers and babies in the Hunter. Customer satisfaction surveys were conducted twice during 1997/98.

From these and other quality projects, Hunter Health has:

- developed, implemented and evaluated a “contact person” scheme which encourages women to nominate a family member or friend who will keep the rest of the family up to date on the labour and delivery. This protects the privacy of women while ensuring that those who are important to her get the details she would wish.
- developed a new procedure for the admission of women undergoing induction of labour, aimed at reducing unnecessary trips to hospital, and reducing delays and waiting time.
- commissioned a new postnatal ward at the Maitland Hospital.

Hunter Health participates in medical and nursing research with local, national and international projects. These projects are contributing to the health and well-being of all mothers and babies.

A key achievement for the year was the completion of training of the Hunter’s only female obstetrician and gynaecologist who is currently working as a part-time staff specialist at the John Hunter Hospital.

Across the Hunter, staff who provide services for mothers and babies share a sense of pride in their work, which means:

- they have the confidence to benchmark themselves with other health services.
- they maintain accepted service parameters from the Royal College of Obstetricians and Gynaecologists and the Australian Council on Healthcare Standards.
- they have a commitment to maintain and improve clinical standards.
- their policies and procedures are based upon the best available research.
- they have a commitment to improving data accuracy and information quality.

For the mothers and babies of the Hunter, it means a world class service is available when and where they need it.

QUALITY

Data entry improvement

Another second round Quality Award was awarded to an Area Business Unit in February 1998 when the Hunter Area Pathology Service received an award for its project on data entry quality improvement.

The project was led by Graeme Kempton and managed a reduction in data entry errors from 4% to 0.2%. This has several benefits to customers:

- faster turnaround times have been achieved for pathology tests requested by all customers - correct data means reports are delivered to the right address.
- fewer data errors mean that the chance of critical incidents due to errors has been significantly reduced.
- staff morale has been boosted and the working environment has been improved.

PROJECT

Emergency Care

Hunter Health has a range of services in place for people requiring emergency care, which includes hospital emergency departments as well as retrieval, trauma, and sexual assault services. Hunter Health also works closely with other emergency services such as ambulance, helicopter and police.

Emergency Departments

Hunter Health manages the busiest emergency department in NSW at John Hunter Hospital, and also one of the busiest regional emergency departments at The Maitland Hospital. In emergency departments, care is delivered according to a triage system, which ensures people requiring care most urgently (category 1) receive attention first. A continued increase in attendances throughout the Hunter resulted in a very busy year.

Key achievements for 1997/98 include:

- commencing the "emergency to community" program in conjunction with community nursing services, which improved the continuity of care for frail elderly people with chronic conditions.
- conducting mock disaster exercises in conjunction with police, ambulance, fire brigade, state emergency services and others. These helped identify deficiencies for managing real disasters.
- conducting Australian College of Emergency Medicine and NSW College of Nursing training for emergency staff.
- upgrading the patient tracking system at John Hunter Hospital and installing the Emergency Department Information System at Cessnock District Hospital. This user-friendly system resulted in more reliable data collection.
- increasing recruitment of senior medical staff to enable the introduction of more flexible working arrangements between hospitals in the Hunter.

One of the major challenges faced by busy Hunter Health emergency departments during 1997/98 was addressing the issue of "access block" (the time taken for people treated in emergency departments to be admitted to hospital) by developing bed management plans and other strategies to reach benchmarks set by NSW Health.

Goals for 1989/99 include:

- planning the new Emergency Department at John Hunter Hospital, following the allocation of funding from NSW Health.
- reducing inappropriate attendances at emergency departments.

- resolving access block issues through new and innovative means.
- meeting NSW Health emergency department benchmarks.

Collaboration

Hunter Health works in conjunction with the professionals of the NSW Ambulance Service and the Hunter Region Westpac Rescue Helicopter Service in delivering emergency services. Cooperation with the NSW Police is often important during emergencies.

Key collaborative achievements for 1997/98 include:

- formation of the Critical Care Committee, incorporating members from key services throughout Hunter Health, including ambulance and rescue helicopter. This group monitors critical care across the continuum from primary health care contact to acute hospital treatment.
- developing a Hunter Health policy on advanced life support, resulting in the development of an education program for relevant nursing staff.
- improved liaison with ambulance, helicopter and rural general practitioners. The Critical Care Committee met regularly in a rural area and meetings included local case presentations and education discussions.

Emergency Care

Hunter Health has 14 hospitals which provide emergency services 24 hours a day.

The Triage system is universally recognised in the assessment of Emergency Department patients. Below are the 1997/98 percentages for each Triage category across the four major Emergency Departments in the Hunter.

Triage Categories	%1997/98
1. Resuscitation (Critical) Life threatening, such as motor vehicle accident, cardiac arrest or burns.	0.59%
2. Emergency (Serious) Could be life threatening and needs prompt attention, such as heart attack or stroke.	3.62%
3. Urgent (Stable) Stretcher wounded or chest pain.	21.52%
4. Semi-urgent (Satisfactory) Walking wounded, such as broken arm, cuts or appendicitis.	60.79%
5. Non-Urgent Long standing problem present for more than one day, such as cough, cold or sore throat.	13.48%

Goals for 1998/99 include:

- maintaining good liaison with ambulance and helicopter services.
- developing and improving helicopter service medical capability by enhancing available equipment.
- working with the ambulance service to maximise the value of the coming rural protocol to assist with early notification and management of trauma.
- participating in a series of seminars on airway, breathing and circulation, which will be aimed at rural nurses and general practitioners.

Intensive Care Units

Intensive Care Units (ICUs) play a significant role in surgical systems of Hunter hospitals. The Hunter's major ICU, located at the John Hunter Hospital, is major contributor to the health network in the Hunter region and the North Coast of NSW and provides significant support for the activities of smaller rural hospitals.

This year, John Hunter Hospital ICU staff have been involved in developing strategies to improve aspects of service delivery. These strategies have been linked with patient safety, service efficiency, data management, bed management and discharge planning.

The unit's newly formed occupational health and safety committee has identified risks to both patients and staff and is closely monitoring safety issues in the clinical environment.

John Hunter Retrieval Service

The John Hunter Hospital Retrieval Service is part of the NSW retrieval service system. Its role is to provide skilled medical and nursing care for critically ill patients in hospitals in the Hunter region and people in hospitals in the North Coast, New England and Central Coast areas who need to be moved between hospitals.

Road retrievals are used for hospitals in the Greater Newcastle area and Maitland. Helicopter retrievals are used for Hunter Valley centres and hospitals to the near north (such as Manning Base Hospital in Taree). Fixed wing retrievals using Air Ambulance King Air based at Kingsford Smith Airport are used for more distant retrievals to centres such as Coffs Harbour and Tamworth.

During 1997/98 the John Hunter Hospital retrieval team performed a record 333 trips (as set out in the table below). This represents a 7% increase since last year and was made possible by dedicated staff and the cooperation received from helicopter and ambulance services.

Retrievals	1997/98	1996/97
Road	140	99
Helicopter	170	164
Fixed Wing Aircraft	23	49
Total	333	312

A major challenge faced by the retrieval service during the year was matching the cost of helicopter retrievals to budget. This was achieved by carefully exploring all options in the best interest of the patient and keeping close control of helicopter use.

Trauma Service

John Hunter Hospital provides the major trauma service for the Hunter with a wide catchment area, including Greater Newcastle, Upper and Lower Hunter, and some parts of Mid North Coast, New England and the Central Coast.

The John Hunter Hospital Trauma Service aims to provide optimal medical and nursing care for all trauma sufferers and to minimise the impact of unexpected injury on individuals, families and communities.

In 1997/98, there were 2,687 trauma incidents, with 2,629 of these patients requiring admission to the John Hunter Hospital. During the year, the trauma team was activated 474 times, there were 56 trauma-related retrievals and 84 trauma related deaths.

Key achievements during 1997/98 include:

- enhancing communication in all areas of trauma management, from accident site to discharge, by having a representative of the NSW Ambulance Service become a member of the John Hunter Trauma Committee.
- developing and monitoring performance indicators to improve trauma management for all patients admitted to John Hunter Hospital.
- continuing peer review for all trauma-related deaths at John Hunter Hospital to ensure system problems are explored and rectified.
- developing trauma management policies and guidelines, which have become useful tools for new and inexperienced staff and have ensured consistent trauma management at high standards.
- securing funding from the Motor Accident Authority for a research project titled "Outcomes of the Multiple Injured Patient - Economic and Rehabilitation Considerations". This study commenced in February 1998 and will continue until September 1999.

One of the major challenges that the Trauma Service faced during the year was continuing to ensure the validity of its database. It is essential that information on all trauma admissions to John Hunter Hospital is collected and entered into the database so that statistics accurately reflect trauma in the Hunter.

Goals in 1998/99 include:

- achieving accreditation under the Australian Council on Healthcare Standards.
- providing optimal care to all people sustaining injury and presenting to John Hunter Hospital.
- establishing a basis for research and developing evidence-based best practice in trauma management.

Sexual Assault Service

The Hunter Sexual Assault Service provides comprehensive counselling and medical services to adults and children who have been sexually assaulted, as well as members of their family.

Services include:

- 24 hour crisis counselling and medical services to children and adults who have been sexually assaulted.
- ongoing counselling and psychotherapy for these people and their non-offending family members.
- therapeutic support groups in response to community need.
- court preparation and support.
- community education on sexual assault services.
- During 1997/98, 490 new clients were seen by the Newcastle team with 91 clients contacting the crisis service.

Key achievements for 1997/98 included:

- implementing a "best practice model" project for general practitioners and counsellors who deliver after hours crisis medical and counselling services to adults and adolescents. Five new visiting medical officers and six counsellors have joined the sexual assault service and provide education and training to ensure a quality service.
- integrating sexual assault services with Lower Hunter Non-Government Organisations to address the needs of survivors of child sexual abuse through a group work project.
- developing an innovative service model in conjunction with CAYHNet for the assessment and management of children with behavioural problems.
- educating target groups by conducting training for other agencies in the area of sexual assault.
- establishing a more effective working relationship with the Department of Community Services and

police, resulting in a more rapid and effective interaction between the services in the area of child sexual abuse.

Goals for 1998/99 include:

- continuing to provide comprehensive counselling and medical services to adults and children who have been sexually assaulted and their non-offending family members.
- continuing to provide a flexible and responsive service to people who have been abused in the past. Outreach services will continue to be held in Hamilton, Raymond Terrace, Belmont, Toronto, Morisset and Charlestown.
- the Lower Hunter team based at Maitland Community Health Centre will continue to see clients at clinics in Maitland, Cessnock and Singleton, whilst the Upper Hunter team will see clients at Muswellbrook Community Health Centre.
- reducing current waiting time for care.

~ SPECIAL AWARD ~

Premier's Awards

December 1998 saw the inaugural Premier's Awards being announced in Sydney and Hunter Health came away with two out of the six Public Sector Awards!

The Hunter Area Pathology Service received its award in the "significant improvement to service outcomes" category for a remote blood transfusion system that was developed last year. This system is a world first and allows blood to be stored and released by off-site hospital staff via the use of an advanced computer software program. This makes it easier to treat patients in areas where an on-site pathology laboratory is not available.

The Royal Newcastle Hospital was the other winner, receiving an award in the "significant contribution to the economy and/or environment" category for its work in waste management and the reduction in carbon dioxide emission from its boiler plant. These projects have allowed the hospital to reduce the resources it uses. The money saved as a result is being spent on direct patient care.

Services for Everyone

Our broad spectrum of health services are managed and provided by:

Area Services

Health Services Planning and Performance

Hunter Area Pathology Service

Hunter Health Imaging Service

Hunter Genetics

Hunter Public Health Unit

Hunter Rehabilitation Service

Forensic Medicine Unit

Greater Newcastle Sector

Belmont District Hospital

Child and Youth Health Network (CAYHNet), including

- John Hunter Children's Hospital
- Child Adolescent and Family Health Service

Community Health and Nursing Services

John Hunter Hospital

Port Stephens Health Service, including the Nelson Bay Polyclinic

Royal Newcastle Hospital

Toronto Polyclinic

Links with the Newcastle Mater Misericordiae Hospital

Health Programs Division

Aged Care Services

Allandale Aged Care Facility

Hunter Centre for Health Advancement

Hunter Dental Health Service

Hunter Equipment Service

Hunter Mental Health Service

Migrant Health Unit

Sexual Assault Service

Wallsend Aged Care Facility

Lower Hunter Sector

Cessnock District Hospital

Community Health Services

Dungog and District Hospital

Kurri Kurri District Hospital

The Maitland Hospital

Singleton District Hospital

Upper Hunter Sector

Community Health Services

Denman Hospital

Merriwa District Hospital

Muswellbrook District Hospital

Muswellbrook Aged Care Facility

Scott Memorial Hospital, Scone

Wilson Memorial Hospital, Murrurundi

Hunter Health provides a range of services to the Hunter community. As well as services specifically for older people, children and young people, people with a mental illness and mothers and babies, general services are provided from hospitals, aged care facilities, and community health centres throughout the area on a sector/division basis. These are complemented by a comprehensive and diverse group of area services, some of which are outlined below.

Community Health

Community health services are provided across the Hunter by Community Health Services and Nursing (CHS&N) in the Greater Newcastle Sector, the Lower Hunter Community Health Service and the Upper Hunter Community Health Service. They provide a range of services, including early childhood nursing, home nursing and allied health. In addition, Hunter Health has a range of specialist community-based programs:

- Sexual Assault
- Diabetes Education
- Women's Health
- Child and Adult Dental
- HIV/AIDS Outreach
- Child and Youth Health Network (CAYHNet), including Physical Abuse and Neglect of Children (PANOC) and child protection services
- Drug and Alcohol
- Aboriginal Health Outreach
- Migrant Health

Key achievements for 1997/98 include:

- completion of the Toronto Polyclinic, which will be officially opened in September 1998. This will allow for co-location of services into a new building, increase the service mix and introduce new services such as primary care, x-ray and antenatal care.

GO TO INDEX

- purchasing a new building for the Newcastle Community Health Centre in Hunter Street Newcastle.
- acquiring funding for the “Honeysuckle Day Centre”, which is a dementia service of the Newcastle Community Health Centre.
- conducting integration projects including the “post-acute community care” project in conjunction with Royal Newcastle Hospital and John Hunter Hospital; the “emergency to community” project with John Hunter Hospital; and the “discharge information” project with the Mater Hospital. These initiatives improve continuity of care, reduce bed stay and promote a positive attitude to home based care management.
- the Upper Hunter Transport Committee began working on the recommendations of the Upper Hunter Health Council Transport Review to enable better access to services.
- launching the Aboriginal mobile van project in the Upper Hunter.
- seeking advice from Aboriginal elders about the way community health can meet the health needs of Aboriginal people.
- launching an activity book for children developed by Lower Hunter Sexual Assault services. This resource is now available across NSW and assists child witnesses and their families to prepare for court.
- establishing a youth health clinic at Maitland targeting sexual health, drug and alcohol issues.
- beginning a builder’s information package on safer housing for older people with the Hunter Centre for Health Advancement. Once developed, safer housing standards will be available to the Master Builders Association.
- developing a range of communication tools in the Upper Hunter, including a service directory and a quarterly newsletter.
- working to prevent domestic violence by developing services based on needs assessment. This will assist the development of support groups and provide staff training as a joint venture with the Attorney General’s Department.
- establishing a stroke service in the Greater Newcastle region, which facilitates continuity of care.
- introducing education and counselling groups in the Lower Hunter for new parents, single mothers and mothers with post-natal depression.

One of the major challenges for 1997/98 was meeting the demand on community health services. To achieve this in future, applications have been made for funding some innovative projects.

A further challenge was adapting community health in response to other agencies redefining their workloads. Potential solutions are being explored.

Goals in 1998/99:

- achieving targets and goals in the Hunter Health business plan.
- coordinating all services at the Toronto Polyclinic by September 1998.
- opening the Newcastle Community Health Centre in the new building by June 1999.
- introducing Stage 1 of the “Information Technology” project to improve communication between community health services and other Hunter Health units.
- restructuring community health to meet challenges presented by proposals in the Hunter Health Corporate Plan.

Dental Services

Hunter Dental Health runs a total of 16 dental clinics across the Hunter. The 6 clinics for adults are in Adamstown, Cessnock, Maitland, Newcastle, Wallsend and Windale. The 10 dental health clinics for children are in Beresfield, Cessnock, Edgeworth, Kurri Kurri, Raymond Terrace, Muswellbrook, Scone, Singleton, Nelson Bay and Toronto.

Hunter Dental Health also run a mobile dental health van in the Upper Hunter which provides services to both adults and children.

The cessation of the Commonwealth dental health program in 1996 has had significant impact on public dental services in the Hunter. Since the program ceased, the number of people waiting has risen from around 4,300 in 1996 to 14,032 by the end of 1997/98.

Key achievements for this year include:

- the completion of a customer survey which indicated the need for an information brochure detailing changes in prosthetic and orthodontic services.
- an adult education focus group with committed consumers, which resulted in evaluation projects being identified.
- the SOKS (Save Our Kids’ Smiles) community education program targeted school based groups with education sessions conducted with all Kindergarten, 2, 4, 6 and 8 school years. The program continued its success in the early detection and treatment of dental health problems.
- instruction and resources were made available to nursing homes and carers as part of the oral health promotion to health care workers.
- staff education sessions on identified needs increased knowledge and improved clinical practice while introducing the primary health care approach.
- a dental service infection control manual was published and promoted at each clinic outlet.

One of the major challenges faced by Hunter Dental Health Services this year was the withdrawal of \$3.2 million in Commonwealth dental funds (annually since 1996) which led to a system of priority access care, revised dental treatment and a priority needs assessment for dental/orthodontic and children's care.

Along with service reduction, waiting times and the numbers of clients requesting adult dental care have increased. In response a waiting list management protocol has been established. Access to dental treatment was according to clinical priority.

Goals for 1998/99 include:

- evaluating the SOKS child dental health program.
- continuing to emphasise the primary healthcare approach by completing the adult oral health education program.
- establishing outcome measures for dental service programs in consultation with the State Oral Health Branch.
- revising the rewards/recognition process for dental health service staff.

Diabetes

Diabetes affects over 500,000 Australians and is an increasingly significant health issue in the Hunter. Diabetes has recently been estimated to cost Australians at least \$1.2 billion annually and with the ageing population this financial burden on the community will increase. For every person diagnosed with type two diabetes, health professionals suspect there is another person undiagnosed. To assist people in managing their diabetes throughout their life, Hunter Health offers diabetes education services in Newcastle, Belmont, Wallsend, Salamander Bay, Maitland, Cessnock and Muswellbrook.

Key achievements during 1997/98 include:

- commissioning a diabetes education clinic at the Toronto Polyclinic, which will provide accessible diabetes education facilities for the Westlakes community.
- completing a quality project identifying barriers to the effective application of diabetes education, which will help improve education programs across the Hunter.
- completing a binge eating disorder research project, which will help health professionals understand the magnitude of the binge eating phenomenon and its effects on those with diabetes.

The continuing increase in patient referrals was the major challenge Hunter diabetes services faced this year.

Goals for 1998/99 include:

- computer networking all education centres to improve communication.
- working more closely with the Hunter Urban and Hunter Rural Divisions of General Practice.
- expanding follow-up programs for patients with type two diabetes.

Dialysis

The Wansey Dialysis Centre, officially opened in July 1996, enhanced nephrology services in the Hunter and Hunter Health's partnership with the Northern Nephrology Network. The Hunter's dialysis program is now the third largest in NSW and the Wansey Centre helps to reduce the amount of time clients spend away from home.

Key achievements during 1997/98 include:

- expansion of the home dialysis visiting service, resulting in a decrease of inpatient and outpatient admissions and an increase in support for people in their homes.
- introducing freeline solo technology (peritoneal dialysis) which has resulted in the Centre's peritonitis rate falling dramatically to well below the State average.
- introducing fluid control machines for limited care dialysis, resulting in improved patient care.
- developing information pamphlets and orientation manuals, which have improved integration for new patients.
- continuing the Hunter Renal Resource Centre patient education program, which has improved patient outcomes due to an increased awareness of treatment modalities.

Maintaining communication with the Northern Nephrology Network was a challenge that the Wansey Dialysis Centre overcame by increasing the number of meetings between the organisations and introducing new patient transfer sheets.

Providing increased information and improving communication for home dialysis patients was achieved by introducing a quarterly newsletter.

Goals in 1998/99 include:

- continuing to provide dialysis services to an expanding population.
- commencing dialysis efficiency testing for all haemodialysis patients, both at the Centre and at home, to improve patient outcomes.
- retraining home dialysis and limited care patients on how to use fluid control dialysis machines.

HealthLink - 1800 063 635

Introduced in 1994, HealthLink is Hunter Health's 24 hour information hotline, providing phone numbers and location information on Hunter Health services. HealthLink is operated by Hunter Health administration during business hours and by the John Hunter Hospital switchboard team after hours and on weekends.

Calls to the HealthLink dropped from 2,234 in 1996/97 to 805 in 1997/98. Hunter Health believes this indicates the success of a more user friendly telephone directory listing along with the greater promotion of our comprehensive service directory, which lists our services, their locations and contact details. Service directories are freely available to the public by calling HealthLink.

HealthLink is complemented by Kids Kare Line (ph 4921 2800), which provides personalised telephone contact with specialist paediatric nurses from John Hunter Children's Hospital. In 1997/98, an emergency mental health telephone service began. For advice on emergency access to mental health services, people may now call on 1800 655 085.

Hunter Area Pathology Service

The Hunter Area Pathology Service (HAPS) delivers pathology services to all Hunter Health hospitals and many others in the community.

Key achievements for 1997/98 include:

- implementing a model laboratory information system capable of integrating results across Hunter Health, which provided better access and continuity of care.
- developing relationships with network partners by providing a comprehensive test range, educational support, consultation and advice on cost savings in rural areas. This enabled rural area health services to achieve significant cost savings.
- developing community based services, which resulted in stronger outreach links.
- the integration of HAPS and Community Health Services and Nursing provided a seamless home and community collection service in Newcastle.
- the "quality use of pathology" project developed decision support software to assist in pathology preference. This project and others resulted in better relations with the Hunter Urban Division of General Practice and the Hunter Postgraduate Medical Institute.
- establishment of a community collection service at Warners Bay, which provided more ready access to pathology for residents and practitioners in that area.

This increased revenue and enhanced pathology services to the local community.

- an area health service quality award for the quality team project on data entry speed and accuracy measurement.
- Commonwealth funding to provide education services to rural communities across NSW.

This year HAPS introduced the Customer Service Unit, which resulted in 24-hour access to results and services. Other teams undertook quality projects, including the Lower Hunter microurine team, pre-analytical turnaround times team, haematology team, histology team, packing list team and recollection team.

Goals for HAPS in 1998/99 include:

- establishing and developing pathology collection facilities at Hunter Health community campuses to provide fairer access, continuous pathology services and additional revenue.
- establishing an electronic link between HAPS and medical practitioners in the community to improve access to services.
- building stronger relationships with the community, particularly the Hunter Urban and Rural Divisions of General Practice.
- training and developing staff in team building, problem solving and modern management practices.
- formalising the strategic alliance between Northern Sydney Pathology Service and HAPS.
- planning the development and implementation of new services at the Toronto Polyclinic, NIB Private Hospital and Maitland General Practice Project.
- continuing to plan the new pathology building on the John Hunter Hospital campus, with the goal of completion by the end of the year 2000.

Hunter Corporate Catering

Hunter Corporate Catering provides food services for various Hunter Health units.

Key achievements for 1997/98 include:

- creating a single business unit, "Hunter Corporate Catering", from two previously independent units (based at the Royal Newcastle Hospital and Allandale Aged Care Facility). This streamlined operational processes.
- extending services to the John Hunter Hospital, which resulted in improved food safety and quality as well as operational savings.
- obtaining revenue by providing food services to the Maitland Correction Centre until its closure.

- incorporating quality management processes in working towards ISO9002 and HACCD9000 accreditation. The final audit will be in July 1998.
- providing training in food safety and safe food handling to key staff to ensure compliance with ISO9000 standards.

Goals for 1998/99 include:

- achieving ISO9002 and HACCD9000 accreditation.
- expanding its business base by 10%.
- continuing to build efficiency into the operation, particularly by eliminating duplication.
- continuing to focus on food safety and quality, in line with community expectations and industry standards.

Hunter Genetics

Hunter Genetics is a community service to the Hunter and most of rural NSW. A network of genetic counsellors conducts regular outreach clinics in major country towns. Genetic counselling gives families information and support. People attend because of their family history, or because they have a baby with an abnormality, or because they wish to see if they are predisposed to a disease such as bowel or breast cancer, Huntington Disease, or fragile X syndrome.

Major achievements during 1997/98 include:

- commencing the familial cancer clinic in collaboration with the Professor of Surgical Sciences at the University of Newcastle. This has resulted in the availability of testing for familial cancer, particularly colon cancer, to the community.
- relocating the fragile X syndrome program from Prince of Wales Hospital in Sydney to Hunter Genetics. Close liaison with the molecular team at Prince of Wales Hospital is still being maintained and outreach services continue.
- creating the Discipline of Human Genetics at the University of Newcastle which encapsulates both the Hunter Genetics clinical service and the Division of Molecular Biology in the Hunter Area Pathology Services. This created a collaborative environment for clinical services and research.
- continuing expanding clinical genetic services with a resident genetic counsellor working in each health area.
- continuing to provide support, advocacy, counselling, coordination of support groups and presymptomatic testing to clients through the Huntington program.
- running a consultative metabolic clinic as an outreach from the New Children's Hospital, Westmead. Clinics occur twice a year and are attended by a dietitian. The result is local access to review and testing for people with metabolic disorders.

Goals in 1998/99 include:

- consolidating the cancer schematic service.
- continuing education and research activities.
- continuing to maintain a service of excellence.

Hunter Health Imaging Service

This year the Hunter Health Imaging Service underwent a major review, resulting in an improved organisational structure with two divisions: radiology and nuclear medicine.

Achievements for 1997/98 include:

- meeting a 10% increase in demand for service.
- extending the contract to supply radiological services to the RAAF base, Williamstown.
- procuring of equipment for Toronto Polyclinic and Wallsend primary care service.
- improving patient information sheets, which reduce anxiety about examinations and procedures.
- centralising the booking service for nuclear medicine across hospital sites, which means improved use, rostering and resource allocation.
- reorganising the booking structure to facilitate better service provision and resource allocation.
- continuing education of nuclear medicine staff by encouraging attendance at conferences, tutorials and secondments to other hospitals.
- providing radiation safety services for Hunter Health facilities which opened up a future revenue scheme.
- demonstrating commitment to environmental consciousness by recycling lead waste. This produced a small revenue stream.

Goals for 1998/99 include:

- developing a more customer focused medical imaging service by improving access to imaging services for patients and referring practitioners.
- effectively using imaging equipment across the service to promote equitable distribution of workload and allowing the service to attract more privately referred patients.

Medical Services

Hunter Health has various departments of medicine which provide services for general medical and sub-specialty patients. Medical services are provided at acute hospitals around the Hunter, with specialty services at the Newcastle Mater Misericordiae, Royal Newcastle and John Hunter hospitals.

Key achievements for 1997/98 include:

- Rankin Park Unit at John Hunter Hospital commencing a major restructuring of its aged care services as a result of recent aged care reforms by the Federal Government. Once finalised, this will provide a more accessible and flexible model of health care for older people.
- officially opening two state-of-the-art cardiac catheterisation laboratories at John Hunter Hospital in October 1997. The laboratories run digital systems for the investigation and treatment of cardiac electrical problems. This is a major improvement on previous technology.
- implementing a best practice program, Congestive Heart failure Active Rehabilitation and Management (CHARM), at the John Hunter Hospital. CHARM recruits patients admitted to the hospital with a primary diagnosis of heart failure to take part in an innovative treatment process that manages patients both in the hospital and in the community after discharge.

Similar programs in the United States and Canada have resulted in readmission rates being reduced by approximately 50%, an increase in patient satisfaction and improved quality of life.

During 1997/98, John Hunter Hospital was actively involved in the National Demonstration Hospital Program (NDHP) Phase Two and was chosen as one of the lead sites. As part of the program, John Hunter Hospital has:

- facilitated the sharing of models of care.
- provided the framework and infrastructure for these models.
- provided the opportunity to influence health care policy and direction.
- facilitated recognition and implementation of best practice for health care delivery.

The aim of NDHP Phase Two was to disseminate the John Hunter Hospital best practice integrated bed management system and the Patient-focused Integrated Continuum of Care Model (PICCM), to collaborating hospitals, which include Townsville General Hospital, Wagga Wagga Base Hospital, Mildura Base Hospital, Adelaide Repatriation Hospital and Bankstown-Lidcombe Hospital.

Goals for 1998/99 include:

- submitting a proposal for John Hunter Hospital to be a lead site for Phase Three of the NDHP program.
- completing the Rankin Park restructuring process by opening the Geriatric Evaluation and Management (GEM) unit at the John Hunter Hospital.
- commissioning a new acute admissions ward; establishing a six bed transitional unit for elderly patients; recruiting staff specialists in emergency medicine and radiology; and opening a new chemotherapy suite at the Newcastle Mater Misericordiae Hospital.

Palliative Care

The physical pain arising from a terminal illness may be debilitating, frightening and dehumanising. Palliative care workers have the skills and resources to permit people with a terminal illness to live as full a life as possible without pain.

Palliative care emphasises comfort measures and counselling to provide social, spiritual and physical support to dying patients and their families. Palliative care recognises grief as a normal response to loss and supports carers during the incurable phase of the patient's disease and through the bereavement period.

The Newcastle Mater Misericordiae Hospital is the tertiary referral centre for palliative care services in the Hunter. 51% of referrals to the Mater Palliative Care Service come from medical specialists, while the remainder come from general practitioners.

Palliative care services available for both patients and families include:

- the Mercy Hospice
- community outreach, to people's homes
- Day Hospice, to provide respite for carers
- outpatient clinic
- medical consultation in any Hunter Health facility
- pre- and post-bereavement support
- volunteer support

The region has seen the ongoing development of a comprehensive palliative care network inclusive of services at Maitland, Cessnock and Port Stephens. This network recognises general practitioners, community nurses, medical specialists and other service providers as playing a vital role both in the care of the dying and their families.

Pharmacy

Hunter Health pharmacy staff are committed to providing a high quality, comprehensive range of services delivered in an integrated manner, consistent with professional codes of conduct, practice standards and legislative requirements.

Key achievements during 1997/98 include:

- completing a quality improvement project to improve access to after hours pharmacy services by nursing and medical staff.
- completing a project with students from Warners Bay High School which resulted in improved communication and access to urgently required medicines for patients.
- developing patient compliance and education tools such as "Medicard" and the "Omeprazole information

leaflet" to improve knowledge and enhance patient compliance regarding their medicines.

- implementing formal and informal programs to review medication use such as "audit of antibiotic prophylaxis in abdominal surgery" and "restricted antibiotic referral process". This has improved the use of drugs for best patient outcome.
- educating medical oncology patients about their treatment protocols to improve patient, family and carer knowledge about cancer therapy, minimise apprehension and improve patient compliance with medication.
- conducting a patient satisfaction survey to ensure needs are being met and that service provision remains at a high standard.
- implementing a joint initiative between hospital and local community pharmacists to improve patient outcomes.
- improving patient awareness about their medications by involving a large number of pharmacists in the National Quality Use of Medicines Program.

A major challenge during 1997/98 was extending the shelf life of John Hunter Hospital aseptically manufactured pharmaceuticals. This was achieved by developing a quality assurance audit tool for the aseptic suite, which was published in the Australian Hospital Pharmacy Journal.

The ongoing challenge of providing a paediatric oncology service for CAYHNet patients led to an application for enhancement funding for the extra staff needed to meet demand.

Improving the acceptance and understanding of clinical trial activities within the Pharmacy Department was another challenge. This was met by implementing a quality improvement project which resulted in greater staff satisfaction through education and standardisation of procedures.

Facilitating the movement of drugs after hours was achieved by introducing resource materials and procedural documents for all after hours management.

Goals for Pharmacy in 1998/99 include:

- developing an integrated Pharmacy Service.
- establishing a Quality Use of Medicines Service, including drug use evaluation for patients of John Hunter Hospital and other Hunter Health facilities.
- participating in the continuum of care process, including discharge planning, medication incident reporting, clinical pathway development and adverse event monitoring.
- increasing involvement in research based activities, including presentations at conferences and publishing.
- expanding the provision of drugs and prescribing education to nursing and medical staff, patients and community groups where appropriate.

Surgery

Continued growth in demand for surgery has led to increased numbers of people waiting for booked surgery. This increase in demand has driven Hunter Health to provide surgery in the most cost-effective way possible. Establishing pre-admission services and post-discharge community teams are examples of the focus to decrease length of stay and ensure people are fit for surgery prior to admission. Hunter Health will also continue to focus on day of surgery admissions and day surgery rates to ensure that services are provided in line with best practice.

Key achievements for 1997/98 include:

- meeting NSW Health benchmarks for all urgency categories in booked surgery. This was a major challenge for surgical units throughout the area and was achieved through teamwork, ongoing review of waiting lists and allocation of urgency codes. Over 2,100 procedures above benchmark targets were performed which means that Hunter residents' access to services improved.
- better use of theatre time was achieved by constant review and analysis of theatre utilisation. A review of the scheduling processes and increased day surgery improved throughput and increased efficiency.

Goals in 1998/99 include:

- continuing to promote teamwork and ongoing clinical review programs, which may identify alternatives for provision of care. A review is underway to improve the whole surgical process for patients, which will include looking at readmission and following through episodes of care. This will lead to improvements in day stay and day of care surgery admissions for the convenience of patients and their families.

Women's Health

The focus on women's health services provided by the Hunter Centre for Health Advancement was broadened in 1997/98 to include a population perspective covering services across a range of health topics. Services related to smoking and alcohol consumption, skin cancer prevention and cervical and breast cancer screening were provided in hotels and clubs. The provision of these services in community settings maximised potential access.

The Hunter Health cervical screening program has received significant support and collaboration from the Hunter Urban and Rural Divisions of General Practice. Over 100 practitioners have agreed to take up the cervical screening program's practice based resources package aimed at increasing cervical screening in

under-screened women. A successful education seminar for general practitioners was conducted in conjunction with the Hunter Postgraduate Medical Institute and the NSW cervical cancer-screening program. Important groundwork has been achieved by collaboration with the Aboriginal community on this project. Support and involvement from Aboriginal women and selected communities, as well as support from elders, increased the effectiveness of the program.

Allied Health

Allied health disciplines include physiotherapy, speech pathology, occupational therapy, social work, nutrition and dietetics and psychology.

Key achievements in 1997/98 include:

- establishing a stroke team at Belmont District Hospital, which has resulted in faster response times, a decrease in the length of stay for patients and a more coordinated approach to stroke care management.
- developing social work policies for managing victims of crime and establishing an interagency network for service providers. This has resulted in a drop-in centre being established close to Newcastle courts which offers support and information to traumatised victims.
- physiotherapists' involvement in establishing the Hunter Integrated Pain Service to provide coordinated management of patients.
- improving access to nutrition and dietetic services across the Hunter by coordinating regional meetings.
- developing a speech pathology referral package for all primary schools in the Greater Newcastle area, which has streamlined the referral process for teachers who identify a student in need.
- developing a cardiac rehabilitation program at Maitland and Singleton hospitals, which has resulted in a standardised rehabilitation format at all Hunter hospitals and means patients are no longer required to travel to John Hunter Hospital for this program.
- extending occupational therapy services in the Hunter by providing education and individual rehabilitation services to clients and their carers in their homes.
- establishing a new physiotherapy unit at Raymond Terrace to enable equitable access for the local community and reduce the need to travel to Newcastle for treatment.
- introducing new non-primary casts for use by physiotherapists, which have reduced application time, repair requirements and cost.
- conducting social work support group programs in the Lower Hunter for survivors of childhood sexual assault and helping develop the new Prevention of Abuse and Neglect of Children (PANOC) services.
- developing a formal speech pathology attendance policy so therapy time is used more efficiently and effectively and more patients can be treated.
- social work students evaluating access to health services for people living in remote areas. This study has resulted in the production of a documentary to be used as an educational tool.
- developing and piloting a total knee replacement exercise class to maintain patient treatment standards.
- standardising the speech pathology prioritisation system to significantly reduce waiting times for urgent cases, as well as implementing a therapy and assessment block to reduce waiting time for initial assessment.
- expanding liaison with physiotherapy departments in other public hospitals through the Metropolitan Outpatient Group to achieve solutions to common problems and provide the opportunity for benchmarking services.
- three senior occupational therapy clinicians being appointed conjoint lecturers with the Faculty of Medicine and Health Sciences, School of Occupational Therapy, University of Newcastle.
- Hunter Health's principal clinical psychologist being appointed conjoint professor and a Hunter Health associate professor of psychology being appointed to a conjoint position in the Department of Psychology at the University of Newcastle. This has lifted the profile of Hunter Health's psychology service.

A challenge for nutrition and dietetics staff during the year was coordinating dietetic programs across Lower Hunter Hospitals, which included a complete review of the program at Cessnock District Hospital. The need for a food service dietitian at the hospital has been identified.

Occupational therapists across the Hunter are reviewing current services and are committed to improving the quality and efficiency of services provided to the community.

Physiotherapists at the Royal Newcastle Hospital improved communication with people from culturally diverse backgrounds by translating common exercise sheets into other languages. A study of patient compliance with home exercise programs highlighted the need to involve significant others in treatment education sessions to optimise compliance and effectiveness of treatment.

High demand for speech pathology services resulted in a new prioritisation system and new service delivery models being implemented. A consistent approach to treating speech pathology patients in Hunter Health aged care facilities was also developed.

Goals for 1998/99 include:

- completing a diabetes information program by Cessnock Hospital nutrition and dietetics staff and

securing a food services dietitian for the hospital.

- conducting a malnutrition prevalence study in acute hospitals.
- identifying social work service gaps and further developing networks with peak welfare bodies.
- expanding physiotherapy health promotion activities by providing more information on services to staff health clinics and selected support groups.
- maximising effectiveness of physiotherapy intervention by training nursing staff in the application of continuous passive motion machines for initial treatment.
- establishing a chronic pain education program as a component of the Hunter Integrated Pain Service.
- providing preschool communication workshops for interested teachers to streamline early identification and referral of children with suspected communication difficulties.
- developing an adult speech pathology strategic plan, incorporating stroke and rehabilitation services, to streamline services.
- increasing specialist services for patients with voice disorders by establishing a voice clinic at the John Hunter Hospital.

Anaesthesia

Key achievements for John Hunter Hospital anaesthetists during 1997/98 include:

- hosting a highly successful international anaesthesia/intensive care conference in Newcastle which was attended by more than 500 doctors. This improved the reputation of the John Hunter Hospital Anaesthesia Department which helps to attract the best possible registrars and specialists to the area.
- expanding the pre-admission service, which increased day of surgery and day only admissions. This resulted in increased elective surgery efficiency and service provision to the Hunter region.
- establishing two positions for visiting overseas trainees at senior registrar standard, which has increased the international standard of the department.

Goals for 1998/99 include:

- improving the efficiency and teamwork in operating theatres and surgical services.
- improving the training program for registrars and specialists continuing their education.
- greater integration of intensive care and anaesthesia services.

During the year, Hunter anaesthetists improved the quality of their service by developing and implement-

ing an audit on patient outcomes after anaesthesia and surgery. This audit is soon to be improved by using charts to facilitate data entry, which will allow the identification of areas that can be improved, such as better pain management and nausea prevention.

Respiratory Illness

Asthma is a major cause of disability and sometimes death in the community. The management and prevention of respiratory illnesses continues to be a major commitment of Hunter Health. Hunter Health provides inpatient care at John Hunter Hospital as well as ambulatory and consulting services at the John Hunter, Royal Newcastle, Newcastle Mater Misericordiae, Cessnock District, Maitland and Muswellbrook District hospitals.

Diagnostic services in bronchoscopy, pulmonary function special airway tests and sleep studies are also available, and Hunter Health provides state-of-the-art services for lung cancer, sleep apnoea, pneumonia, cystic fibrosis, bronchiectasis and pulmonary thromboembolism.

Key achievements in 1997/98 include:

- continuing the Asthma Management Service.
- securing a contract to carry out an evidence-based review of all components of the Australian Asthma Management Plan.
- developing a new pathway to provide non-invasive ventilation for people with chronic obstructive pulmonary disease (COPD), a major cause of death in the Hunter community. This new method of treatment has resulted in dramatic reductions in the length of stay for patients with COPD.

The prevention of respiratory illness is a major long-term goal for Hunter Health. One of the most logical steps to take in order to achieve this outcome is to have patients with respiratory disease quit smoking, a habit that is responsible for an enormous burden of illness in our community. Initiatives that Hunter Health has put in place include a program to help patients staying at John Hunter Hospital quit smoking and establishing the Fresh Air policy.

Hunter Health also helps coordinate local asthma services by supporting the Expert Advisory Group in asthma, which is a committee of community members, general practitioners, behavioural scientists, nurse educators and research specialist physicians.

— Enhancing Quality of Life —

As well as caring for people with acute illness, Hunter Health helps people manage longer-term illnesses or conditions which require lifelong management. A range of hospital, community and home-based services are provided for people of all ages throughout the region.

Pain Management

The Hunter Integrated Pain Service (HIPS) began operating in February 1997. Contributing to HIPS are professionals in palliative care, members of the acute pain service, rehabilitation specialists, musculoskeletal medicine specialists and other health professionals.

Key achievements for 1997/98 include:

- managing pain problems using a biophysical model by developing a multidisciplinary team including anaesthetists, clinical psychologists, liaison psychiatrists, physiotherapists, rehabilitation specialists, nurses, palliative care specialists & musculoskeletal medicine specialists.
- markedly reducing the levels of pain experienced by selected individuals using implanted devices such as spinal cord stimulation and intrathecal pumps.

During its first year in operation, HIPS has had to contend with an extensive waiting list for its services. Referral letters are triaged and urgent problems are assessed in a sub-acute pain clinic.

Goals in 1998/99 include:

- developing an outpatient cognitive behavioural therapy program to help patients manage their pain.
- increasing staffing levels in order to cope with demand for services.

Two papers were published by the John Hunter Hospital Acute Pain Service during the year. The first paper reviewed the service's experience of epidural analgesia, while the second investigated the efficacy of routinely tunnelling epidural catheters to prevent displacement. This second study showed there is significant benefit from routine tunnelling. Further studies are underway to investigate post-amputation pain, complex regional pain syndromes and the use of ketamine/morphine combinations for patient controlled analgesia.

Hunter Area Rehabilitation Service

The Hunter Area Rehabilitation Service (HARS) comprises several units which provide services to primarily working-age people with disability.

During 1997/98, the Brain Injury Service at Bar Beach assisted 152 people with traumatic brain injury, with 27 of these admitted to the residential program. The HARS Outreach Service supports families and individuals in crisis and supports generic services called

on to assist people with brain injury. The HARS Paediatric Service has a case management function and facilitates the integration of children with brain injury back into the community.

The Spinal Cord Impairment Service provides rehabilitation and case management services. During the year, 55 referrals were received, including 15 for people with recent injuries. The service provides expert consultancy for generic services and continues to support the community resettlement of people with very high levels of dependency.

The Hunter Rehab commercial services at Rankin Park and Kurri Kurri assist injured workers to return to work. Hunter Rehab is recognised as a preferred provider for many organisations, including Hunter Health itself. Hunter Rehab's innovative WorkSmart program is an integral part of the complete injury management service provided to local industries.

The Hunter Prosthetic and Orthotic Service is now administered by HARS. This service undertakes the manufacture and fitting of artificial limbs for people with amputations.

HARS' revenue generation during 1997/98 has allowed an expansion of services to public clients, particularly for people with severe disabilities.

Hunter Equipment Services

Hunter Equipment Services are based at the Bell Building on the Wallsend campus and include:

- the Hunter Equipment Service, which supplies short-term loan equipment to clients to speed early release from hospitals.
- the Program of Appliances for Disabled People (PADP), which is a government-funded scheme to assist disabled people who are financially disadvantaged. PADP assists with long term equipment loans and some consumable products. Contributions from clients towards cost of appliances may be requested and waiting times for appliances sometimes occur.

During 1997/98, the Hunter Equipment Services building at Wallsend underwent renovations which included the addition of an elevated storage area and an equipment lift. This has resulted in larger and more organised storage. Although Hunter Equipment Services is based at Wallsend, stores are also available at other locations.

Non-Government Organisations

1997/98 marked the second year of the NGO grant program and working relationships between Non-Government Organisations and Hunter Health were further strengthened. Joint staff development and policy discussions were held at the Hunter Health NGO

Forum. NGOs in turn provided Hunter Health with access to their data and community networks for planning and research projects. This partnership was based not only on sharing expertise and resources, but also on mutual understanding and respect for the benefit to the Hunter community.

- NGO Projects which were funded in 1997/98 were:**
- McAuley Outreach Service
 - Newcastle Youth Service
 - Salvation Army – Miracle Haven, Morisset
 - Upper Hunter Drug and Alcohol Services
 - Karumah Inc.
 - MacKillop House
 - AIDS Council of NSW – Hunter Branch
 - Sex Workers Outreach Project
 - Asthma Supportive Members Association
 - Carelink - Muswellbrook
 - Hunter Women’s Centre – counselling, health promotion and clinical services
 - Lifeline Newcastle and Hunter – 24 hour telephone counselling service
 - Maitland Palliative Care Volunteer Service
 - Samaritan Foundation - Coalfields Healthy Heartbeat
 - Family Planning – Hunter Education Project
 - Dungog and District Palliative Care Volunteers
 - ARAFMI - Hunter Health Psychiatric Rehabilitation Association – Newcastle Support Network
 - Life Without Barriers – Volunteer Program
 - Baptist Community Services – Ocean House Project
 - Lake Macquarie Clubhouse
 - The Australian Arthrogyposis Group
 - Mercy Community Care

Key achievements during 1997/98 included:

- The NSW Government marked the World AIDS Day on 1 December 1997 by providing \$75,200 to MacKillop House over three years. Hunter Health provided MacKillop House with another \$33,800 from AIDS rollover funding.
- Hunter Health contributed \$17,160 to the AIDS Council of NSW and \$14,090 to the Sex Workers Outreach Project. This operational funding provided extended staffing which will help in preventing HIV infections and caring for HIV positive people.
- A one-off grant of \$10,000 from the NGO grant program was allocated to the Lake Macquarie Clubhouse, a newly established NGO. Further negotiation between the Lake Macquarie Clubhouse and Hunter Health resulted in an allocation of

\$100,000 as a one-off seeding grant over two years from October 1998. This initial support has assisted in establishing a Clubhouse model of psychosocial rehabilitation for people in the Lake Macquarie area who have a mental disorder.

A major challenge during 1997/98 was to negotiate timely and successful annual performance agreements between Hunter Health and NGOs. This was achieved by establishing working relationships between Hunter Health Policy Officers and NGOs, with a clearly defined timetable for the administration of the NGO Grant Program.

Another challenge was to prepare for NGO accreditation. Hunter Health facilitated this process by promoting discussion on NGO policies and procedures via an NGO Forum.

The NGO Grant Program has improved the quality of its service this year by improving its administration, in cooperation with NGO Service Directors, to achieve a return rate of 100% for service plans and performance agreements prior to the funding cycle; an outstanding success and considerable increase on the 1996/97 figure of 31%.

Goals for 1998/99 include:

- actively involving NGOs in the accreditation process.
- increasing NGO involvement in the business planning process of Hunter Health.
- establishing appropriate process, impact and outcome evaluation of NGO services.

Upper Hunter Healthy Hearts

Q A team from the Upper Hunter Community Health Centre led by Social Worker Phoebe Begg won a third round Quality Award in May 1998 for its project which evaluated strategies to increase participation in Healthy Heart behaviours. **P**

U The project aimed to provide health promotion activities which were relevant to the Upper Hunter community and had sustainable outcomes. Results included increased sustainable levels of health promotion; access and equity to information about heart health; increased levels of community participation; and partnerships formed between community groups. **R**

A As well as winning a Hunter Health Quality Award, the Upper Hunter Healthy Hearts project has won a National Heart Foundation Award for Best Health Organisation Project during Heart Week 1998 and has been nominated for a 1998 Premier’s Award. **O**

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Promoting Health

Theme 2 of Hunter Health's Corporate Plan includes an emphasis on the importance of health promotion. Hunter Health actively pursues this goal through the work of the units described below.

Public Health Unit

Key achievements for 1997/98 included:

- Hunter Health achieving the highest childhood immunisation rate of all area health services in NSW according to the Australian Childhood Immunisation Register. This emphasised the success of the campaign to involve health care providers in increasing the rate of childhood immunisation in the area.
- better use of technology to disseminate public health information. An automatic faxing system warned general practitioners about a meningitis cluster.
- obtaining funding from NSW Health to implement a food-borne disease active surveillance site in the Hunter. This will improve detection of food-borne diseases and emerging threats, leading to the development of better preventative strategies.
- completion of a retail food safety profile which identified priorities for improvement and established a baseline for comparison.
- a review of the GPs' sentinel practice network, which led to the addition of diarrhoea illness with cramping to the sentinel list. This allows early detection of intrahaemorrhagic ecoli outbreaks in the Hunter.

Reducing elevated blood lead levels of children living in North Lake Macquarie was a major challenge for the year. Completion of household remediation was achieved, including reduction of lead levels in soil surfaces for children with the highest blood levels. This will also prevent elevated blood levels in future generations.

Another challenge for the Public Health Unit was developing better relationships between Hunter Health and the Hunter Water Corporation on water safety issues. This was addressed by developing a negotiated memorandum of understanding.

Monitoring and reducing the sale of tobacco products to children remains a challenge for the Unit. 10% of Hunter tobacco retail outlets have been checked for compliance.

Goals for 1998/99 include:

- completing the Public Health Unit strategic plan.
- achieving closer integration between the Unit and the Hunter Urban Division of General Practice in relation to public health activities, especially with immunisation and sentinel surveillance.
- participating in the Hunter Health performance

management project to develop best practice and performance management for staff.

- implementing a food-borne disease effective surveillance site to detect outbreaks earlier and determine the major cause of food-borne diseases while developing prevention strategies.
- developing a public health resource kit for general practitioners on immunisation, investigation of diarrhoea and coughs and environmental health.

NETRU

The Newcastle Environmental Toxicology Research Unit (NETRU), a joint venture of Hunter Health and the University of Newcastle, aims to:

- design, analyse and evaluate environmental research.
- develop tools for ongoing monitoring of environmental exposure and outcomes.
- provide up-to-date critically appraised information on all aspects of environmental health, including risk assessment and management.

Key achievements for 1997/98 include:

- completing the third phase of the Hunter/Illawarra Study of Airways and Air Pollution (HISAAP), which will improve knowledge about the health effects of indoor air pollutants on children in the Newcastle area. A paper detailing the findings of phase 1 of the HISAAP study has been accepted for publication in the Medical Journal of Australia. This will improve knowledge about the health effects of outdoor air pollution on children.
- commencing an environmental health subject for undergraduates at the University of Newcastle, which will increase undergraduate students' understanding of environmental health issues.

NETRU's goals for 1998/99 include:

- broadening the applicability of the environmental health subject offered through the University of Newcastle to include professionals in a wider community, e.g. short course, workshops, and external study.
- publishing the results of phase 2 and 3 of the Hunter/Illawarra Study of Airways and Air Pollution in high quality journals.
- encouraging greater participation and consultation, especially with NSW Health and Public Health Units, particularly in regard to indoor/outdoor air pollution and risk assessment.
- developing behavioural interventions to address environmental health issues such as reducing indoor air pollution.

Hunter Centre for Health Advancement

The Hunter Centre for Health Advancement (HCHA) provides health promotion and disease prevention strategies to the population of the Hunter. It is a collaborative venture between Hunter Health and the University of Newcastle Faculty of Medicine and Health Sciences. The Centre combines both health promotion and disease prevention units of Hunter Health and the research and academic skills from the Discipline of Behavioural Sciences at the University.

HCHA's four core program areas are health promotion, research, teaching and drug and alcohol clinical services. The health promotion program includes practical activities which are intended to improve the health status of individuals and communities in the Hunter. These activities adopt a range of approaches, including:

- efforts to create an informed community.
- efforts to influence the policies and actions of organisations in ways that support the health of individuals and communities.
- efforts to increase the involvement of other sections of the health sector in health promotion.

In 1997/98, HCHA concentrated its health promotion activities in community settings such as schools, hotels, registered clubs, sporting groups, hospitals, community health centres, workplaces, shopping centres and restaurants. A range of services was provided, depending on the phase of the project and the type of service each setting requested.

Activities included assistance in policy development, education materials, information and training, and advice on products that assist in promoting health. Health promotion topics included smoking, alcohol and other drugs, sun protection, hazards and falls prevention, HIV /AIDS and infectious diseases and cervical screening.

Health CHIPs (Computerised Health Information Programs) has grown over the past four years to now offer free health information to more than 90,000 users at over a dozen sites throughout the Hunter, including shopping centres, health care facilities, registered clubs, schools and entertainment centres. Programs launched this year include *Bladder Control*, *Child Car Restraints*, *Dental Health*, *Skin Cancer Detection*, and *Solar Battle*. This brings the current range of programs to 21, with further programs in development including *Prostate Cancer*, *Hepatitis C*, *Breast Cancer*, *Diabetes*, *Stroke*, *Quality Use of Medicines*, and *Youth Depression*.

During 1997/98, the Hunter Health Action Plans were launched to address the areas of smoking, alcohol, falls in the elderly, sun protection and cervical screening. The Plans have been implemented, with strategies being addressed by all units of Hunter Health where applicable.

Promoting Good Health

- 288 licensed premises (pubs and clubs) and 89 liquor stores in the Hunter participated in the *Hotels, Clubs and Bottleshops Project*, introducing more responsible service of alcohol and smoke free areas.
- *Safe and Responsible Drinking in Country Rugby League Project* was a collaborative venture between the HCHA, NSW Police, NSW CRL and NSW Health. It significantly increased responsible service activities in over 200 rugby league clubs in NSW.
- *Crime Linking Project*, funded by the Drug Programs Coordination Unit of the NSW Police Service, conducted a randomised control trial throughout the Hunter, Central Coast and Manning Great Lakes regions. Police training has been completed in all regions for the collection of alcohol related incident data.
- *Healthy Hospitals Project* aims to improve the health of staff in Hunter hospitals by identifying individual and organisational health risks and providing information on how to reduce them.

All 30 shopping centres in the Hunter are working with HCHA to facilitate health promotion initiatives. During 1997/98

- 90% of centres have reporting procedures for falls and near falls
- 82% provide information to licensed tenants about the responsible service of alcohol
- 77% had a reporting procedure for hazards
- 69% provide information to tenants on the sale of cigarettes to minors
- 50% used a risk management checklist.

HCHA continued to attract funding to support projects, which include:

- the NSW Health Sun Protection Supplementary Grants Scheme - \$1,000.
- the NSW Health Sun Exposure and Physical Activity Policy Unit strategic qualitative research on physical activity among older people in NSW - \$20,136.
- the NSW Health service needs of women who have experienced domestic violence - \$15,000.

Infection Control

Infection Control was again an important issue for Hunter Health in 1997/98. Stringent guidelines introduced by NSW Health in 1995 became mandatory for Area Health Services.

Hunter Health spent approximately \$2 million last year to comply with current NSW Health infection control policy and regulations. It is estimated that more resources will be required to achieve better access to the desired results for sterilising services.

Key achievements for 1997/98 include:

- completing a quality survey to identify perceptions and needs of hospital executive officers, directors of nursing and infection control practitioners. An issues paper is the first major step toward developing a service plan for the Hunter.
- establishing a Hunter Health intravenous access committee (IVAC) to oversee and ensure optimal outcomes in patient management with an intravascular device. An IVAC education program to accredit registered nurses will commence in August 1998 through the Staff Development Unit.
- piloting a successful audit system to assess Australian Standard 4187 for cleaning, disinfection and sterilisation. This audit tool has been endorsed by the State Sterilising Consultants Advisory Group and will be used as the NSW State performance indicators for sterilising services across NSW Health.

This year has been one of planning and consolidation of processes and procedures. Quality activities include the analysis of work practices and surveillance activities.

The service continues to enjoy a reputation of excellence, and remains a benchmark service for the provision of information and infection prevention and control. Reference, outreach and liaison services continue to be requested. Calls after hours are managed through the John Hunter Hospital switchboard and staff ensure that unusual and difficult infection risk issues are appropriately answered with advice, counselling and management.

Aboriginal Health

Over the past few years there has been a marked increase in awareness, access to and delivery of culturally appropriate health services to Aboriginal people at Hunter Health. This has been assisted by the appointment of Aboriginal liaison officers, an Aboriginal Health coordinator and Hunter Health's commitment to Aboriginal health.

Key achievements for 1997/98 include:

- Aboriginal health trainees at John Hunter Hospital, Eastlakes Community Health and the Newcastle Mater Misericordiae Hospital have created a greater understanding of Aboriginal health issues among staff and improved access to services for Aboriginal people.
- introducing a mobile health van into Aboriginal communities in the Upper Hunter has provided screening and health services.
- ongoing cultural awareness training through the Staff Development Unit and other courses have resulted in greater understanding of issues by service providers.
- securing funding for Yallarwah Place, an Aboriginal relative accommodation unit to be constructed on the John Hunter Hospital campus for the families of Aboriginal patients.
- health education programs for Aboriginal women being conducted through women's organisations on topics such as drug and alcohol, family violence, breast and cervical cancer and suicide. This resulted in greater awareness and understanding of issues and services available through Hunter Health.
- mental health forum on the stolen generation and the ongoing implications of the policy, resulted in increased awareness by service providers who work with Aboriginal people which has allowed them to address issues in a culturally sensitive way.
- employing two Aboriginal mental health workers in child and adolescent mental health created greater awareness of Aboriginal mental health issues.

A major challenge faced by Aboriginal Health during 1997/98 was identifying gaps in current service provision and placing Aboriginal trainees in various units throughout Hunter Health.

Another major issue for Aboriginal Health was the implementation of the NSW Health Aboriginal Health Partnership Agreement and the development of a local partnership document. This was pursued at meetings between Hunter Health representatives and members of the Aboriginal community.

Another challenge involved promoting Aboriginal staff throughout Hunter Health as role models, which was achieved by featuring an A-team member profile in the Hunter Health's monthly newsletter and producing a brochure designed to advise the role and philosophy of the Aboriginal health unit and staff.

Encouraging better understanding of Aboriginal cultural issues is an ongoing challenge which was assisted this year by the distribution of a brochure highlighting differences and how they can be overcome.

Goals for 1998/99 include:

- improving understanding by all service providers of the individual needs of Aboriginal people.
- providing education for Aboriginal people on policies, procedures, rights and responsibilities of consumers.
- developing a health information handbook for Aboriginal people.
- finalising the Aboriginal health partnership between Hunter Health and the Awabakal Aboriginal Co-operative.
- improving services for those affected by the stolen generation policy.
- promoting self-identification of Aboriginal people when seeking health care to increase appropriate service provision, identify true health statistics and promote Hunter Health.

Migrant Health

Hunter Health's Migrant Health Service provides interpreter services, information, education and support to the Hunter and beyond so that people from diverse cultural backgrounds can access appropriate health services in an informed manner.

During 1997/98, the Hunter's Migrant Health Service carried 14,429 interpreter assignments. 13,759 were performed by Hunter Health staff, 770 by NSW Rural and Central Coast Interpreter Services.

1997/98 also saw an increase in demand for trained interpreters to service small or emerging ethnic communities such as Thai, Korean or Farsi.

Key achievements for 1997/98 include:

- reorganising the Multicultural Health Worker Program following a review to become the Multicultural Liaison Officer Program. This resulted in the program changing its focus from working with a limited number of ethnic communities to working with mainstream health services. Project officers in acute care, mental health and in both the Lower and Upper Hunter sectors were successfully established.
- launching the NSW Rural Interpreter Service, which involved establishing 11 panels of sessional interpreters in 11 regional towns in six Area Health Services. These panels are coordinated and administered by the Hunter Health Care Interpreter Service and to date, 194 sessional interpreters have been recruited and 169 language fluency tests conducted.
- successfully negotiating an outreach program from trauma and torture survivors in the Hunter, which provides counselling and community support for refugees and people from refugee-like situations who have experienced torture and/or trauma.
- launching the Health Services Directory for Migrants, which provides information on the NSW Health system and Hunter Health services to newly arrived and other migrants. Translations are planned for appropriate languages.
- developing a pilot diabetes assessment and education program for ethnic communities in conjunction with the Diabetes Education Centre. The pilot targeted the Polish community and will be used with other ethnic communities after evaluation.
- providing cross-cultural awareness and "use of interpreters" training to 1,246 Hunter Health staff (148 sessions); 235 university students (seven sessions); and 299 community members (25 sessions). 33% more Hunter Health staff participated in education sessions this year.
- the Multicultural Health Worker Program performed 1,842 occasions of service, with 1,306 clients also attending 100 sessions on health education organised by Migrant Health.
- three health promotion projects completed in

conjunction with the Hunter Centre for Health Advancement, including a project where interpreters educate clients on health risk factors during appointment waiting times; an interactive Health CHIPs computer education program on drug and alcohol issues in Macedonian and English and a falls prevention pilot project for the Polish and Ukrainian communities.

Goals for 1998/99 include:

- further implementation of the Hunter Health Multicultural Health Strategic Plan 1996-99 and preparing for the new 2000-2003 Plan through community consultations.
- extending the Multicultural Liaison Officer Program to include project officers for Community Health Services and Nursing, women's health, Child and Youth Health Network and Aged Care and Disability.
- building stronger relationships with both the Hunter Urban and Rural Divisions of General Practice by contributing articles to their newsletters and conducting workshops with network groups.
- developing a video-conferencing mechanism suitable for the Interpreter Service.
- developing a Standard Curriculum for cross-cultural communication.
- developing interpreter orientation and professional development courses suitable for video-conferencing.
- researching and evaluating the health needs of migrant communities which are newly arrived or have not been previously targeted.
- developing an information/health education project for people from diverse cultural backgrounds which will help them access appropriate services and make informed choices about their health.

During 1997/98, changing demographics and the need to provide services to an increasingly diverse ethnic population proved to be a challenge. This change in service demand was addressed by restructuring Migrant Health from a community-specific service to one that responds to the needs of mainstream health services.

The unavailability of interpreters for some languages in rural centres was overcome by offering telephone interpreting or sending interpreters from other areas. Video-conferencing will also help relieve this situation.

Occasions of service:			
	1996/97	1997/98	% increase
NSW Rural Interpreter Service	234	770	216
Sessional Interpreting	4,110	4,790	16
After Hours Service	772	957	24

Health Research

It is an exciting time for research in the Hunter, with many promising developments in improving health care. Hunter Medical Research, a new initiative of Hunter Health, the University of Newcastle and the Hunter community, was launched successfully in June 1998 and provides a new face to fundraising for medical research teams within the Hunter.

Through its partnership with the University of Newcastle, Hunter Health provides a strong focus on research and, with the establishment of Hunter Medical Research, is further promoting a positive and supportive climate for research activities to grow.

HMR works to fund the Hunter's research groups with proven records to give them the necessary resources to progress their specialty projects. Some of HMR's funding priorities include familial cancer, children's cancer, asthma and preventing pre-term delivery.

At HMR's official launch in June, which was attended by over 400 leading business people and community representatives, Dr Darren Shafren, a virologist and cell biologist, was announced as the inaugural HMR young medical researcher of the year. Dr Shafren's studies on how viruses enter body cells have generated international interest. His prize included a travel grant from Ansett to attend an overseas virology conference, plus \$5,000 towards his research, which will enable Darren to continue researching in the Hunter.

Established in 1998, the Young Medical Researcher of the Year award is open to researchers under 35 who work on research in medical, clinical or basic science that contributes to improving the health of the people of the Hunter.

To date, HMR has the financial support of over 50 regional and national companies. Its goal of raising \$3 million for medical research by the year 2000 looks certain to be met. This new look and direction will provide opportunities for existing research groups to present a unified face to the outside world and gain major funding from government, business corporations, trusts and foundations and the general community.

The Hunter has received an impressive record of research grants in 1997/98, including:

- \$372,500 over two years for a study into dual influenza/bacteria respiratory infection and its effect on the host immune response, investigated by Dr Margaret Dunkley and Professor Robert Clancy.
- \$165,600 over three years to the Oncology and Immunology Unit for a study detailing immunotherapy of melanoma with dendritic cells.
- \$150,000 over three years to the Hunter Familial Cancer Unit from Newcastle Permanent Building Society, for bowel cancer research.
- \$120,000 for two years to a project which seeks to

establish attitudes towards euthanasia and the perceptions of cancer patients and their service providers. More than 600 patients (300 of these in palliative care) are expected to be interviewed by project team member Dr Ian Kerridge and other researchers for their views on euthanasia. The research is unique in that it includes patients with advanced illness and also attempts to address the influence of beliefs regarding euthanasia. Every oncologist, haematologist, and palliative care specialist in the country will be invited to take part in a confidential questionnaire in a later study.

- \$110,000 over two years for a health promotion program, led by Dr Jill Cockburn, aimed at the primary prevention of incontinence in women.
- \$85,000 per year for two years to the Airways Research Centre, located at John Hunter Hospital, for research into airway inflammation in childhood asthma.

Internationally recognised work and research on Hepatitis C by Professor Robert Batey and his staff at John Hunter Hospital earned Hunter Health selection in a two year project aimed at finding better ways to provide Hepatitis C services. The Hepatitis C Coordinated Care project, known as HepCare, involves the collection of information on the wide range of services used by people with Hepatitis C – medical, community health and social services – so that better and more cost-effective funding can be allocated in the future to treat and manage people with Hepatitis C through coordinated care.

John Hunter Hospital and the Australian Gastroenterology Institute also endorsed a campaign to raise awareness of a potential cure for stomach ulcers. The campaign follows the release of a study by Professor Robert Batey, which found that stomach ulcers were caused by the bacteria *Helicobacter pylori*, and not lifestyle factors. A simple breath test determines the bacteria's presence. The Australian Institute of Mucosal Immunology Group has also shown there are specific strategies for diagnosing and managing disease caused by *Helicobacter pylori*. The group has developed the world's first test for use by family doctors using a finger prick to show the presence of a diagnostic antibody.

The opening in Newcastle of the Neuroscience Institute of Schizophrenia and Allied Disorders (NISAD) Research Register coincided with Schizophrenia Awareness Week in May this year. The register is a State-wide volunteer database aimed at recruiting people diagnosed with schizophrenia to take part in scientific research projects investigating the causes and treatments of the illness. It is the first resource of its kind in Australia. Located at James Fletcher Hospital, NISAD is a non-profit medical research institute dedicated to schizophrenia research.

Professor Allan Spigelman performed out-of-the-ordinary autopsies on three 3000-year-old Egyptian

mummies in May 1998. The investigations consisted of plain X-rays, CT scanning and endoscopic examination. Efforts to discover the key to a number of diseases, including the evolution of cancer, syphilis and tuberculosis, may lie in the preserved bodies. All results from the investigation will be forwarded to the Manchester Egyptian Mummy Research Project, which coordinates an international database of mummy research.

Professor Spigelman also won a \$25,000 grant from the Ramaciotti Foundation to study ways of boosting enzymes that help the body fight cancer. The research investigates whether diet or drugs boosted cancer-clearing enzymes. Evidence suggested that some vegetables, especially brussels sprouts, broccoli and their relatives are particularly beneficial.

This research is coordinated through the Hunter Familial Cancer Unit, which has been recently established to improve the management of individuals at risk for familial cancer by virtue of their family history. Research team members include Professor Allan Spigelman, Professor Rodney Scott, Professor Gillian Turner and Ms Bronwyn Burgess, who undertake research into the cause and prevention of cancer, particularly cancer of the bowel, breast and skin.

With more than 50% of melanoma deaths occurring among males over 50, the Hunter Melanoma Research Group began a study aimed at early diagnosis of skin cancer and melanoma on men aged 50-plus. The study, which involved more than 1,000 men, looked at whether photographs help GPs identify melanomas, skin cancers or new lesions.

Dr Peter Hersey, of the Hunter Melanoma Research Group, has been working on a vaccine which, if successful, could be injected into patients to kill melanoma. The research, in conjunction with an American company called IMUNEX, could lead to major changes in the treatment of cancer. Research is also being undertaken to show that certain products of the immune system were able to induce the 'killing' of melanoma cells – assisting patients to 'reject their own cancer'.

The Asthma Research Team at the John Hunter Hospital Respiratory Unit is tailoring asthma treatment to suit individuals. The team, led by Dr Peter Gibson, has designed new treatments to be targeted according to the particular type of inflammation present.

Dr Vicki Clifton from the Maternal Health Research Centre, in conjunction with Dr Peter Gibson, is studying the effects of severe asthma in pregnancy. This is the first study of its kind in the world. The research team is funded by the Asthma Foundation of NSW (\$45,000). Dr Clifton's work concentrates on the placenta and whether asthma drugs cause placental changes that result in early birth. Dr Gibson will look at the type and dose of treatment each patient uses as well as the use of oral steroids, such as ventolin.

Clinical trials testing an herbal extract that may be an antidote to asthma were undertaken in the Hunter and

South Africa. 80 people with asthma participated in the trial. Conducted by Dr Gus Cooper and Dr John Falconer, the trial attracted \$120,000 in funding and involved the use of ORAL-MAT, a non-toxic rye extract. With the Hunter Region having the highest incidence of asthma in the world the results of this treatment are eagerly awaited.

In conjunction with the Australian Institute of Sport, The Hunter Immunology Unit has been investigating the effect of intensive endurance training on elite athletes. The focus of this research, coordinated by Dr Maree Gleeson, has been to determine why some athletes suffer from recurrent respiratory illness and others remain illness-free. The original research was conducted with elite swimmers and has identified some of the risk factors for illness, including exercise intensity and the psychological stress of competition. Research is now focused at assessing predictive models in other endurance sports, including rowers, canoeists and cyclists.

The Unit's interest in stressors on mucosal immunity has also extended to include a pilot research project with the Australian Army, which will assess the effect of new training regimes on mucosal immunity. These studies will provide unique information on the effect of combined physical and psychological stress on mucosal immunocompetence and may have relevance to the wider community. The Hunter Immunology Unit is one of only a few centres in Australia that concentrates on mucosal immunology.

Waste not, want not

Q A third round Quality Award went to staff from the Greater Newcastle Sector in May 1998 when the Immunology and Infectious Diseases Department at John Hunter Hospital won an award for demonstrating methods to reduce wastage of infuser devices. **P**

U The project team, led by Pauline Dobson, noticed that infuser devices were being wasted when patients changed drugs, finished a program early or didn't come onto a program even though the drugs had already been ordered. The team looked at the extent and causes of wastage and involved the device manufacturer in coming up with a solution. **R**

A During the initial six month survey, the department was receiving deliveries every day and found that \$12,000 was being wasted on unused devices. This problem was solved by having deliveries only twice a week, resulting in fewer devices on hand, less wastage and a saving of almost \$7,000 over a seven month period. The team continues to monitor the process. **O**

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In response to local community concern and as part of State-wide initiatives on metropolitan air pollution, the Newcastle Environmental Toxicology Research Unit (NETRU) has been involved in a series of studies to provide evidence about the impact of air pollution in the Hunter and Illawarra. The study, named HISAAP, was funded by NSW Health, the NSW Asthma Foundation and the Community Health and Anti-TB Association. It included three phases, investigating the effects of indoor and outdoor air pollution on a cross-sectional survey of up to 3,000 children from Newcastle and Wollongong. Given the high incidence of childhood cancer in Australia, NETRU plans to continue its work on indoor air pollution started as part of HISAAP Phase 3. The closure of BHP Steelworks at Newcastle will also provide an opportunity to measure whether reduction in coke and iron production is associated with a change in the health effects that NETRU has found.

Premature delivery is the cause of 70% of deaths among newborn babies and many of the survivors suffer from cerebral palsy. Women admitted with premature labour are given the drug "salbutamol" to delay delivery for one to two days and help the baby survive. The Maternal Health Research Team at John Hunter Hospital, directed by Professor Roger Smith, is trialling a skin patch which may be more effective than salbutamol with fewer side effects. The team is coordinating this study with centres in Brisbane, Nepean, Hong Kong and Singapore.

The Maternal Health Research Centre also hosted the Inaugural Pacific Rim Preterm Labour Forum in October, 1997.

Dr David Mowat joined Hunter Genetics for 1997 as part of the ACAD study, a study of the changes in behaviour over time in a cohort of children with a developmental disability. The research examined the biological cause of the disability and will present a breakdown of these results at a meeting in the UK.

Hunter Health continues to work closely with the University of Newcastle's Faculty of Nursing. Three professorial appointments in clinical nursing research have continued and are jointly funded by the Hunter and Central Coast Area Health Services, the University and the Baptist Community Services (NSW and ACT). Besides conducting their own research, each professor has been successful in assisting local clinicians to win research funding from the Faculty and the NSW Nurses' Registration Board.

Research teams working within the Centre for Nursing Research and Practice Development have successfully completed three major research projects:

- development of standards for clinical indicators of the quality use of medications by nurses
- competency standards for advanced nursing practice, and
- expectations of registered nurses.

External funding has been obtained for two more major projects:

- developing a community care and funding model for the Department of Veterans' Affairs
- developing nursing knowledge and the quality use of medications in palliative care for the Department of Family and Community Services.

The Faculty of Nursing also continued to build infrastructure to support research initiatives, including the employment of a senior lecturer, research assistant and clerical assistant to consolidate staff of the Centre for Nursing Research and Practice Development. These staff members support academic staff, students and local clinicians by seeking, initiating and supporting funded research programs.

The Faculty of Nursing has also built on its success in attracting graduate research students from Australia and other countries. In 1997 five students were awarded the Master of Nursing, three gained the Master of Nursing Studies and another four successfully completed the Bachelor of Nursing (Honours) degree. In 1997 two other students were enrolled in the BN (Hons), 20 in the MN, and ten in PhD Programs.

The Faculty maintains its wider academic and research links through visiting research fellows, and faculty exchanges and visits. In 1997, these links included the USA, Canada, Korea, Thailand, Indonesia and South Africa. Through its Centre for Nursing Research and Practice Development, the Faculty has been affiliated with the newly established International Institute of Qualitative Methodology at the University of Alberta, Canada. The Faculty has maintained its strong links with the College of Nursing at the Ewha Women's University in Seoul, Korea.

The Faculty's developing international reputation is reflected in the decision for it to host the 5th International Qualitative Health Research Conference, which will attract over 400 Australian and international researchers to Newcastle in April, 1999.

Hunter Area Research Ethics Committee

During 1997/98, the Hunter Area Research Ethics Committee reviewed 172 research protocols and recommended that 168 be approved by the Hunter Health Board. The subject matter of the protocols ranged from clinical drugs trials through trialling new therapeutic devices or procedures, to interviewing or surveying health care consumers across the Hunter region.

The committee seeks to ensure protocols meet the ethical requirements set out in the National Health and Medical Research Council's Guidelines on Human Experimentation, especially in relation to ensuring potential subjects receive relevant information and voluntary informed consent is obtained prior to their participation.

Changes in committee membership over the year included the retirement of Dr Kerrie Clover, Father Kenneth Hagan, Mr Boyd Johnson, and Dr Michael Lowe. Mr Cec Thompson, Quality Assurance Officer, also resigned from the committee in 1998 after six years

of service. We are very grateful for the dedication and hard work these members contributed to the committee.

Dr Lynne Hancock, Mr Roger Norris, Ms Jennifer McDonald, Professor Anthony Smith and Dr Andrew Spencer have joined the committee and their various areas of expertise will enable the committee to deal comprehensively with the increasingly diverse range of research protocols being submitted.

At the end of March 1998, Dr Nicole Gerrand, whose PhD was in medical ethics, took up the position of professional officer.

Clinical Ethics Committee

Members of the Clinical Ethics Committee and the Clinical Unit in Ethics and Health Law have provided teaching on the ethical and legal aspects of health care to the Staff Development Unit, Neo-natal Intensive Care Unit, dialysis services, emergency medicine services, junior medical officers, the John Hunter Hospital Intensive Care Unit journal club and the John Hunter Children's Hospital journal club.

The committee completed a no-CPR (cardio pulmonary resuscitation) policy, which involved determining a clear process whereby patients, or their surrogates, may refuse unwanted interventions such as CPR and may be involved in the decision-making process.

An institutional recommendation on "Patient Consent to Participation in Student Teaching/Learning" was completed. This involved defining a clear process for obtaining consent, as well as the supervision of students within Hunter Health facilities.

~ SPECIAL AWARD ~

Yallarwah Place Reconciliation Award

In May 1997, organisers and supporters of the successful Novocastrian Tales project were presented with a prestigious State Award from the Australian Council for Aboriginal Reconciliation.

Former Prime Minister Gough Whitlam presented the award to the project team at a special event in Newcastle.

Novocastrian Tales was one of almost 300 projects across Australia entered in the annual Australian Reconciliation Awards and involved the publishing of a book of stories from indigenous and non-indigenous Australians who have a link with the Hunter Valley. Funds raised from the sale of the book and other functions will be used to build a culturally appropriate accommodation facility for the relatives of indigenous patients at John Hunter Hospital, which provides services to Aboriginal people from the Hunter Valley and Northern NSW.

During 1997/98, key achievements included:

- developing an institutional process for managing advance directives within Hunter Health.
- developing institutional guidelines regarding the use of complementary medicines in hospital
- maintaining the Hunter Health Clinical Ethics Committee as an active, viable service.

One of the major challenges faced by the committee was providing a more efficient and vital process for the consideration of ethical and legal issues in health care. The appointment of a new chairperson and review of the committee's function resulted in a marked improvement, especially a rapid "turnaround" on policy development.

In addition, efficiency measures and performance audits have been introduced to enhance the committee's progress.

Gardiner Library Service

The Gardiner Library Service is a network of health science libraries providing information services to employees of Hunter Health and staff and students of the University of Newcastle's Faculty of Medicine and Health Sciences. Support is provided on a fee for service basis to private health organisations and personnel throughout the Hunter region.

A highlight during 1997/98 was the opening and expansion of services and hours at the Maitland Hospital Branch library.

Demand for value added services such as database searches, reference and current awareness services continued to rise. Interlibrary loan services experienced a growth of 10%, with requests from other libraries up by 32% and requests to other libraries down by 21%. This result not only confirms our reputation for excellence in interlibrary lending, but acknowledges the strength and relevancy of our clinical collection, with less reliance on other libraries than in previous years.

In cooperation with tertiary educational organisations throughout the Hunter, the Gardiner Library Service continues to support medical education at both undergraduate and postgraduate level. Ongoing cooperation with the Faculty of Medicine and Health Sciences facilitated increased access to computer resources, the Internet and email for students.

The library was faced with many challenges during 1997/98, not least of which was a serious mould problem threatening the John Hunter Hospital collection (worth an estimated \$10 million). Clean up operations forced the closure of the branch for two weeks. Although impossible to eradicate, the mould growth should be contained by dehumidifying machines due for installation shortly. The mould problem now seriously affecting the Royal Newcastle Branch will also be addressed in the coming year.

The instability and falling value of the Australian dollar resulted in increased journal and book prices. Journal

surveys designed to assess title demand as well as investigations into online full text alternatives will assist in reducing the impact on services brought about by current economic instability.

The Gardiner Library Service performed quality improvement activities during 1997/98. A systematic stocktake of the collection at the John Hunter Hospital branch highlighted clinical areas most in need of increased resources. The result was better use of limited funds.

The library continued its benchmarking activities with a consortium of medical and health sciences libraries from across Australia. The ongoing project indicated that the library not only operates at appropriate levels for a special library, but exemplifies best practice in a number of core services.

Collaboration with other Hunter Health units is underway. The purpose of the projects is not only to raise the profile of the library and the services it provides, but also to better understand the needs of clients and to deliver better, more appropriate services to those disadvantaged by distance.

The Gardiner Library Service continues to coordinate room and equipment bookings for the John Hunter Hospital. Despite the difficulties posed by insufficient rooms and equipment, a reorganisation of the bookings process has resulted in a much improved and efficient service.

The Gardiner Library Service is approaching the year ahead with the vitality, efficiency, and creativity needed to maintain excellence in the provision of library and information services.

~ **SPECIAL AWARD** ~

**Royal Newcastle Hospital
Australian Quality Award**

In December 1997 the Australian Quality Council (AQC) presented the Royal Newcastle Hospital with an Award for Achievement in Business Excellence in acknowledgment of its progress towards total quality management.

The hospital was congratulated by the AQC for its success in "Australia's most demanding business achievement recognition process". The award is on the fourth level of the AQC five-tier award structure and the Royal Newcastle Hospital is the first Australian public hospital to achieve such an award.

Achievement in Business awards are given to organisations in which:

- clear plans are in place and are being widely actioned.
- improved performance can be demonstrated as a direct consequence of these actions.

The Royal Newcastle Hospital is one of Hunter Health's many units which are actively working towards improving quality according to AQC criteria. Hunter Health units are able to support each other as they work towards becoming part of a demonstrably world class health care organisation.

MANAGING OUR RESOURCES

Hunter Health's annual payments budget is over \$400 million. 'Managing our Resources' in the most efficient and effective manner on behalf of the Hunter community is a challenge that Hunter Health has, in recent years, taken up with particular enthusiasm and success. The 1997/98 financial year was no exception.

This year Hunter Health received \$11.8 million in enhancement funding from NSW Health to address booked surgery and to improve specific areas of Aboriginal health, medical and radiation oncology, community based care, aged care and mental health. Hunter Health was also faced with significant budget challenges that included a \$1.2 million productivity cut and a \$1.6 million revenue budget increase. Increasing award payments and costs of consumables, together with the falling percentage of privately insured patients, meant that Hunter Health management and staff had to implement innovative practices to ensure our high standard of service delivery could be achieved within the resources available.

Hunter Health has a number of business units that have been set up to be 'self-sufficient'. Although their core business is to service the hospitals and units of Hunter Health, they also have the ability to compete for work from the private sector. This is an excellent opportunity to generate additional revenue for Hunter Health and for business units to produce their own services more efficiently.

Many of our business units and departments have achieved cost effective quality improvements that have contributed to a pleasing financial result in difficult times.

Hunter Health finished the 1997/98 financial year with a net cash favourability of \$2.688 million. There was a \$3.6 million favourability in cash payments, but this will fund specific programs that roll into the 1998/99 financial year. Patient fees have again decreased and

show a significant unfavourability to budget. This variance reflects the declining rate of privately insured patients attending our hospitals. The national fall in people holding private health insurance made it extremely difficult to meet an increased patient fees target. There was, however, a favourability in other revenue, which partly offset the patient fees variance.

Hunter Area Pathology Service

Activity based costing has been introduced to accurately track costs associated with the provision of pathology services and to benchmark against comparable pathology providers. A new laboratory information system has been implemented to better serve hospital clinicians and external medical practitioners.

Hunter Corporate Catering

During 1997/98, the Newcastle Corporate Catering Service, based at the Royal Newcastle Hospital, and the Lower Hunter Cook Chill Service were brought together under the name of Hunter Corporate Catering (HCC). HCC is managed by a new Board and has seen the successful implementation of cook chill at the John Hunter Hospital. The integration aims to upskill staff and achieve the efficiencies required to be competitive in the private sector. Already, HCC has been approached by other organisations to submit prices on meals and catering services.

1997/98 General Fund Financial Result (CASH BASIS)

	Actual \$000s	Budget \$000s	Variance Surplus/(Deficit) \$000s
Current Payments	457,332	460,970	3,638
Patient Fees	28,166	32,865	(4,701)
Other Revenue	23,966	20,118	3,848
Operating Financial Result	405,200	407,987	2,787
Local Capital	13,825	14,036	211
Capital Works	8,596	8,894	388
Asset Sales	4,761	5,459	(698)
Capital Financial Result	17,660	17,561	99
Net Cash Result	422,860	425,548	2,688

~ SPECIAL AWARD ~

Environmental Achievement Awards

In January 1998, Newcastle City Council presented the 1997 Environmental Achievement Awards. Three Hunter Health units - John Hunter Hospital, Royal Newcastle Hospital and Capital Works and Physical Resources - won awards for their excellent environmental work.

The John Hunter Hospital Better Waste Segregation Committee was instrumental in achieving the top award in the category of waste management for the hospital. The committee aims to surpass the government's waste reduction goal of 60% for the year 2000 by encouraging staff, patients and visitors to actively support waste reduction within the hospital and transfer those actions to their homes as well.

Royal Newcastle Hospital received a highly commended award for waste management under the category of resource conservation for their energy efficiency initiatives. One of the latest projects at the Royal was to modify the hospital's steam generation plant, which reduced gas consumption by one third while boiler operation time was cut by 63 hours per week. This has in turn resulted in 2,880 kilograms less carbon dioxide being released into the atmosphere and fewer staff hours being spent on plant maintenance.

Capital Works and Physical Resources received an award in the category of Policy and Planning - Best Resource Conservation for the Hunter Health Energy Policy. The energy policy is being implemented in hospitals across Hunter Health, and the most recent project was the installation of a solar hot water augmentation system at The Maitland Hospital. The system has the capacity to save the hospital a minimum of \$15,000 per year on the natural gas bill due to the reduced energy consumption rate. The system also reduced carbon dioxide emissions by 343 tonnes per year.

Hunter Health has a successful history of solar energy usage and has plans to increase the number of solar systems from 300 collectors and 40,000 litres of heat store at present to over 1,000 collectors and 10,000 litres of heat store over the next five years.

Pacific Linen Services

Commenced as a new business unit on 1st July 1997, this is a partnership between Hunter Health and the Central Coast Area Health Service. Pacific Linen Services provides linen services to both Hunter Health units and a number of private hospitals. This new

business has provided a more efficient use of capital resources and immediate operational savings. Further plant upgrades have improved operational efficiency, and provided improved product quality and service. Pacific Linen Services has also created new revenue generating opportunities for Hunter Health.

Hunter Rehabilitation Service Units

These units operated successfully in line with 1997/98 Business Plan targets. Services to compensable and public clients expanded, increasing revenue by almost 30%. The Spinal Injury Service and the Rehabilitation Service at Lower Hunter also significantly increased their revenue by providing an expanded, more efficient service.

Capital Works

In 1997/98 the major achievements were:

- Toronto Polyclinic completed at a cost of \$5.15 million.
- Fire precautions upgraded across Hunter Health.
- Construction begun on the hydrotherapy pool at the Royal Newcastle Hospital.
- Documentation completed to proceed with Yallarwah Place to provide accommodation for the relatives of Aboriginal patients on the John Hunter Hospital campus.
- Completion of the cardiac catheterisation laboratory extensions at John Hunter Hospital.

Information Services

This hard working department continues to assist all areas of Hunter Health to manage their information, financial and reporting systems more efficiently. During 1997/98 the team completed Stage 3 of the community health network and infrastructure development. This connects Eastlakes, Westlakes and Raymond Terrace community health centres to the area network. Hunter Health has also been chosen to be the NSW pilot site for the implementation of the new Community Health Information System. An additional 500 email users have been connected to the network, which allows more effective communication across the health service.

Year 2000 Project

Significant human and financial resources have been allocated to addressing the Year 2000 (Y2K) problem, which has the potential to impact on corporate information systems, biomedical equipment, medical imaging and pathology equipment, general engineering, and personal computers.

\$282,451 in rectification funding was received in 1997/98 and was spent primarily on information technology equipment upgrades at the Hunter Health data centre based at John Hunter Hospital and the Newcastle Mater Misericordiae Hospital. Voicemail and telephone management systems were also upgraded. Hunter Health is well prepared and on target to ensure all automated systems and equipment will remain fully functional after midnight on 31 December 1999.

Hunter Health adopted the NSW Government endorsed Business Risk Analysis methodology as the basis for its Y2K project plan. This six-phased methodology has been used as the tool for identifying, assessing and rectifying critical systems and resources throughout the health service.

A rectification plan has been prepared and implementation is now underway. This includes the upgrade, replacement or development of a workaround solution for non-compliant systems and resources. Contingency plans are currently being written for all critical business functions to ensure service continuity in the event of a disaster. In addition, disaster recovery planning has commenced to assist with the transition from contingency mode to normal operations. Standing operating procedures that form the basis of NSW Healthplan are also being rewritten to incorporate major incidents resulting from Y2K issues.

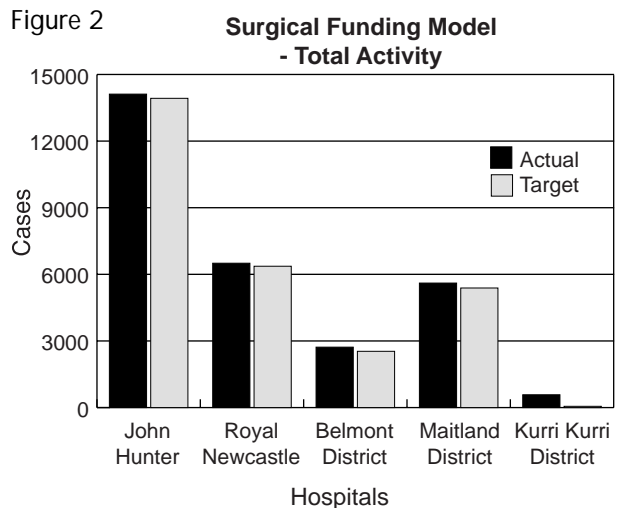
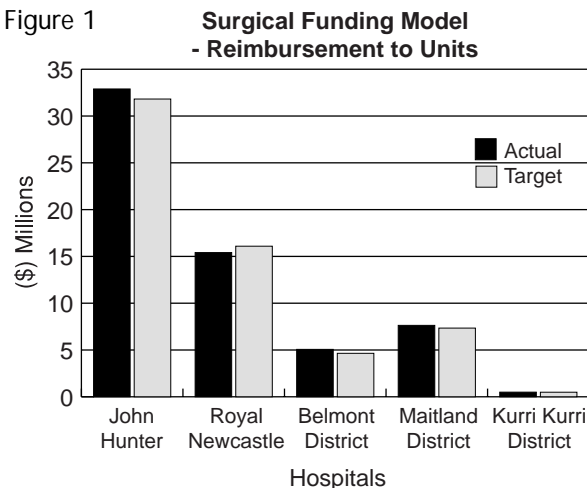
Surgical Funding Model

Hunter Health has continued to use its unique surgical funding model to improve the management and administration of surgical activity. In 1997/98, Hunter Health allocated over \$60 million to its hospitals for a number of surgical specialities.

Figure 1 - Shows the allocation of funding to units

Figure 2 - Shows the activity by hospital

The surgical funding model reimburses each surgical activity based on throughput and a cost per episode. In the 1998/99 financial year, reimbursement will be based on a benchmark price which will produce a more efficient use of funds.



Internal Audit Unit

This unit performs a vital role in ensuring that we achieve best practice in the areas of financial management and reporting. It has also made quality improvements to its own processes during 1997/98. The introduction of computer assisted audit tools provide a more efficient and effective selection of audit samples. Creation of an audit database for the management of the audit plan enables more efficient identification of its status. Development and introduction of a methodology and associated working papers has led to a more efficient use of audit time.

Environmental Approach to Managing our Resources

Hunter Health is also responsible for managing its consumption of energy, water, food and other resources.

The most significant environmental achievements this year have been in the area of energy management. Solar energy installations have been completed at Muswellbrook District Hospital and Maitland Hospital, while work is in progress to replace the coal fired boiler systems at Cessnock District Hospital and Allandale Aged Care Facility. Also, all chillers at John Hunter Hospital have been converted to eliminate CFC gases.

Hunter Health complies with the Waste Minimisation and Management Act 1995 and meets all EPA guidelines.

Hunter Health is working to achieve government's goal of reducing waste by 60% by the year 2000. In 1997/98, The Maitland Hospital was successful in winning a \$41,000 grant under the Waste Planning and Management Fund scheme for a project that will introduce a three pronged approach to re-using garden waste, shredded paper waste and food waste generally. Up to 150kg of kitchen waste per week is expected to be processed through a worm farm. Vermicast and liquid fertiliser will enrich gardens. Green waste and paper waste will be used in gardens to

reduce water consumption and improve water retention in the soil. The environmental officer will also seek other opportunities for waste management.

Hunter Health plans to extend the process to other units and is asking all units to put resource management strategies in their business plans.

Special Purpose and Trust

Hunter Health manages \$27.3 million in Special Purpose and Trust Funds. These funds are used for the specific purposes for which the trusts were established.

During 1997/98, \$2.5 million from these accounts was spent on capital equipment, \$2.6 million on research projects and a further \$3.2 million was received and spent on the mammographic screening program. The mammographic screening project is funded by the Commonwealth and NSW Governments.

Audited Financial Statements

The Audited Financial Statements are published within this report on pages 64 to 85. These accounts are prepared according to applicable Australian accounting standards, the requirements of the Public Finance and Audit Act 1983 and its regulations, and the requirements of the Public Hospitals Act, 1929 and its regulations. The accounts are consistent with NSW Health's requirements.

The accounts are consolidated general fund and special purpose and trust fund accounts. The requirement to report both the general fund and special purpose and trust fund results in one statement may limit their usefulness to some readers. It should be noted that Hunter Health is not funded for non cash expense items such as depreciation and long service leave. Furthermore, the expenditure and revenue items of the Special Purpose and Trust Funds are generally incurred on behalf of third parties for a specific project or purpose. An additional report giving details of cash expenditure and revenue for the general fund is provided on page 61 for the benefit of readers.

The consolidated accounts report Hunter Health's total expenses are \$522 million with a further \$27 million spent on capital items. At 30 June, 1998 Hunter Health held \$589 million in assets, with net assets of \$479 million. Cash and investments held at year end were \$37 million, illustrating a strong liquidity base.

CEO Performance

In accordance with Senior Executive Service Policy, a statement of performance for SES officers Level 4 and above is included in annual reports. The following performance summary for the Chief Executive Officer has been approved by the NSW Health Department Director General - Policy.

Name, position and level:

Professor Katherine McGrath
Chief Executive Officer
Hunter Area Health Service
SES Band 4 (Lower)

Period in position:

9 months

Results

Strategic Initiatives: Restructure of Mental Health Service and Hunter Health Imaging Services completed. Population health function achieved through creation of Newcastle Institute of Public Health. Flexible bed management plan implemented. Review of Cardiac Surgery Services completed. Partnership agreements finalised with Awabakal Aboriginal Co-operative and Hunter Urban Division of General Practice. Hunter Medical Research established. Expressions of interest for collocated private hospital on John Hunter campus.

Management Accountabilities: Favourable budget and activity performance. Exceeded waiting list targets. Audit requirements achieved, capital works program completed.

~ SPECIAL AWARD ~

Royal's National Fundraising Award

In January 1998, the Fundraising Institute of Australia (FIA) presented the Royal Newcastle Hospital with an Award for Excellence in Fundraising for its outstanding first attempt at a direct mail campaign.

The campaign raised over \$7,800 for the hospital, with a phenomenal response rate of 6.8%. When compared against similar exercises in the charitable industry, an average response rate of 1-2% is deemed to be a very good return!

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Hunter Area Health Service
General Fund Appropriation
Cash Payments and Receipts Statement
Year ending 30 June, 1998

	Actual 30 June 1998 \$000	Budget 30 June 1998 \$000	Actual 30 June 1997 \$000
Expenses			
Salaries and Wages	222,278	222,694	214,981
Annual Leave Paid	18,895	19,862	19,102
Long Service Leave Paid	4,039	3,737	4,107
Overtime	8,571	8,639	8,496
Workers Compensation	14,023	11,523	11,444
Total Employee Related Expenses	267,806	266,455	258,130
Visiting Medical Officers	19,078	19,371	20,393
Food Supplies	4,435	4,652	4,648
Drug Supplies	13,220	13,868	11,090
Medical and Surgical Supplies	20,435	21,661	20,104
Special Service Departments	2,514	2,638	3,997
Fuel, Light and Power	3,858	4,047	4,090
Domestic Charges	6,229	6,534	6,058
Administration Expenses	19,047	19,970	14,955
Total Goods and Services	69,738	73,370	64,942
Interest	5	34	28
Repairs, Maintenance and Replacements	10,154	10,832	9,856
Payments to Third Schedule Hospitals	44,175	44,175	43,943
Sub-Total Payments	410,955	414,238	397,292
Local Capital Purchases greater than \$5,000	5,298	6,079	6,389
Total Payments	416,254	420,316	403,681
Revenues			
Patient Fees	(29,730)	(32,681)	(27,453)
Other Income	(18,714)	(16,112)	(19,111)
Total Revenues	(48,444)	(48,793)	(46,564)
Government Cash Payments	(367,385)	(367,385)	(358,477)
Net Operating Cash (Inflow)/Outflow	425	4,138	(1,360)

NOTE: This statement has been prepared for the information of readers of the Annual Report and does not form part of the audited Annual Financial Statements

Property Holdings

Properties and their associated building assets valued together at over \$500,000 are listed:

Allandale Aged Care Facility - a public aged care facility. Also the site for the Lower Hunter Catering Service and Lower Hunter Linen Service.

Belmont District Hospital - provides level four services in medicine, surgery, obstetrics and gynaecology.

Cessnock District Hospital - provides level three services to the local area.

Community Health, Maitland/Raymond Terrace - based at East Maitland. The service provides a range of generalist and specialist health care services to the Lower Hunter areas.

Denman Hospital - a community hospital providing a mix of acute and longer term accommodation with attached day care centre.

Dudley Aged Care Facility - leased to the private sector.

Dungog and District Hospital - a community hospital providing level one service to surrounding rural areas.

Eastlakes Community Health, Windale - provides a range of community health and dental services to the eastern areas of Lake Macquarie.

James Fletcher Hospital - an acute psychiatric unit for Hunter Health.

John Hunter Hospital - provides level six services and is the major referral centre for Hunter Health. The Rankin Park Unit on the campus comprises beds dedicated to aged care and rehabilitation. Also on the campus is the Hunter Rehabilitation Service, Possum Place Child Care Centre and Hunter Health's administration building.

Kurri Kurri District Hospital - provides level three services in general medicine and surgery. A specialty role in ophthalmology is provided from this site.

Maitland Hospital - a sub-area referral hospital providing level four service and offering specialist services in obstetrics and gynaecology, orthopaedics, paediatrics, general surgery, medicine and aged care assessment.

Merriwa District Hospital - a community hospital providing level two services.

Morriset Hospital - a mental health facility providing continuity of care and rehabilitation of people with a mental illness.

Muswellbrook District Hospital - a district hospital providing a level three services with both acute and long term accommodation.

Newcastle Community Health Centre - a building purchased in the Newcastle business district for development as the location of a range of community health services.

Newcastle and Port Stephens Mental Health Team, Newcastle - providing 24 hour services in the community and outpatient services.

Nelson Bay Polyclinic - a community facility offering level one services to the local community. It also provides palliative care services.

Royal Newcastle Hospital - a hospital providing a level six service in orthopaedics, rehabilitation medicine, rheumatology, urology and a range of outpatient services.

Scott Memorial Hospital, Scone - a district hospital providing level three services.

Singleton District Hospital - a district hospital providing level three services to the local area. A limited care renal dialysis service also operates from this site.

Transitional Living Unit, Bar Beach - a rehabilitation unit for people with brain injury.

Wallsend Campus - incorporates community health services for the western Newcastle area, child health services, a nursing home, a non-medical detoxification unit, dental clinic and primary care centre.

Wansey Centre - located at Charlestown and is a limited care community dialysis unit which provides home care dialysis training.

Waratah Campus - the Organisational Development Unit (comprising Staff Development, Human Resources and Risk Management), Hunter Genetics Unit, Day Hospital and other community services are accommodated on this site.

Westlakes Polyclinic Site - to provide a range of primary care, community health and dental health services.

Wilson Memorial Hospital, Murrurundi - a district hospital providing level one services.

In addition, Hunter Health manages 14 other properties totalling 27,893 square metres in land area and with buildings included valued at \$3.79 million. 14 properties were leased by Hunter Health with an annual rental expense of \$445,538.

FINANCIAL STATEMENTS



Independent Audit Report
Hunter Area Health Service

BOX 12 GPO
SYDNEY NSW 2001

To the Members of the New South Wales Parliament and Members of the Board

Scope

I have audited the accounts of the Hunter Area Health Service for the year ended 30 June 1998. The preparation and presentation of the financial report, consisting of the accompanying statement of financial position, operating statement, statement of cash flows, program statement - expenses and revenues and summary of planned and actual allocations together with the notes thereto, and the information contained therein, is the responsibility of the Board of the Hunter Area Health Service. My responsibility is to express an opinion on the financial report to Members of the New South Wales Parliament and the members of the Board based on my audit as required by sections 34 and 45F(1) of the *Public Finance and Audit Act 1983* and the *Charitable Fundraising Act 1991*. My responsibility does not extend here to an assessment of the assumptions used in formulating budget figures disclosed in the financial report.

My audit has been conducted in accordance with the provisions of the Act and Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the requirements of the *Public Finance and Audit Act 1983*, Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) so as to present a view which is consistent with my understanding of the Hunter Area Health Service's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

- (a) In my opinion, the financial report of the Hunter Area Health Service complies with section 45E of the Act and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of the Service as at 30 June 1998 and the results of its operations and its cash flows for the year then ended.
- (b) I report, in accordance with section 24 of the *Charitable Fundraising Act 1991*, that:
- i) the accounts of the Hunter Area Health Service show a true and fair view of the financial result of fundraising appeals for the year ended 30 June 1998;
 - ii) the accounts and associated records of the Hunter Area Health Service have been properly kept during the year in accordance with the Act;
 - iii) money received as a result of fundraising appeals conducted during the year has been properly accounted for and applied in accordance with the Act; and
 - iv) there are reasonable grounds to believe that the Hunter Area Health Service will be able to pay its debts as and when they fall due.

M T Spriggins ACA

Director of Audit

(Duly authorised by the Auditor-General of New South Wales under section 45F (1A) of the Act)
Sydney, October, 1998.

Certification of Accounts

The attached general purpose financial statements of the Hunter Area Health Service for the year ended 30 June 1998

- (a) have been prepared in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views), the requirements of the Public Finance & Audit Act 1983 and its regulations, the Public Hospitals Act 1929 and its regulations, the Accounts and Audit Determination, and the Accounting Manual for Area Health Services and Public Hospitals; and
- (b) present fairly the financial position and transactions of the Health Service; and
- (c) have no circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

Prof. Katherine McGrath
Chief Executive Officer
29 September, 1998

Ms Carol Abela
Hunter Health Board Member
29 September, 1998

BEGINNING OF AUDITED FINANCIAL STATEMENTS

HUNTER AREA HEALTH SERVICE
OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE 1998

	Notes	Actual 1998 \$000	Budget 1998 \$000	Actual 1997 \$000
Expenses				
Operating Expenses				
- Employee Related	3	332,953	335,447	297,876
- Visiting Medical Officers		21,353	21,419	19,077
- Goods and Services Maintenance	4	76,767	77,414	77,956
Depreciation and Amortisation	5	12,919	13,069	11,568
Grants and Subsidies	2(h), 6	25,361	24,628	23,999
Finance Costs	7	5,411	5,435	1,321
Payments to Third Schedule Hospitals	8	126	130	5
- Recurrent Sourced	9	46,780	46,523	44,175
- Capital Sourced	9	441	256	322
Other Expenses	10	-	-	3,705
Total Expenses		522,111	524,321	480,004
Revenues				
Sale of Goods and Services	11	44,918	47,930	44,808
Investment Income	12	1,407	3,766	4,104
Grants and Contributions	13	12,330	6,341	8,541
Other Revenue	14	3,619	3,882	4,515
Total Revenues		62,274	61,919	61,968
Gain/(Loss) on Sale of Non Current Assets	15	(1,090)	(750)	(434)
NET COST OF SERVICES	33	460,927	463,152	418,470
Add Government Contributions				
NSW Health Department Recurrent Payments	2(a)	406,945	406,945	365,384
NSW Health Department Capital Payments		5,782	5,791	6,085
Acceptance by the Crown Transactions Entity of Superannuation Liability	2(c)	22,224	24,690	20,915
(DEFICIT) FOR THE YEAR		(25,976)	(25,726)	(26,086)

The accompanying notes form part of these financial statements

GO TO INDEX

HUNTER AREA HEALTH SERVICE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 1998

	Notes	Actual 1998 \$000	Budget 1998 \$000	Actual 1997 \$000
ASSETS				
Current Assets				
Cash		9,594	8,520	10,596
Investments	19	25,000	20,800	35,000
Receivables	20	12,348	14,834	13,096
Inventories	21	2,390	2,656	2,604
Total Current Assets		49,332	46,810	61,296
Non-Current Assets				
Land and Buildings	22	492,524	492,890	499,988
Plant and Equipment	22	47,456	47,419	48,716
Total Non-Current Assets		539,980	540,309	548,704
Total Assets		589,312	587,119	610,000
LIABILITIES				
Current Liabilities				
Accounts Payable	24	12,458	13,288	15,335
Borrowings	25	2,405	2,779	-
Employee Entitlements	26	41,955	38,901	39,789
Total Current Liabilities		56,818	54,968	55,124
Non-Current Liabilities				
Borrowings	25	9,147	9,147	9,702
Employee Entitlements	26	44,736	44,133	40,587
Total Non-Current Liabilities		53,883	53,280	50,289
Total Liabilities		110,701	108,248	105,413
Net Assets		478,611	478,871	504,587
EQUITY				
Reserves	27	59,870	59,870	59,870
Accumulated Funds	27	418,741	419,001	444,717
Total Equity		478,611	478,871	504,587

The accompanying notes form part of these financial statements

HUNTER AREA HEALTH SERVICE
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 1998

	Notes	Actual 1998 \$000	Budget 1998 \$000	Actual 1997 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee Related		(304,413)	(308,098)	(267,514)
Grants and Subsidies		(52,632)	(52,215)	(44,498)
Finance Costs		-	-	(5)
Other		(108,208)	(108,563)	(112,980)
Total Payments		(465,253)	(468,876)	(424,997)
Receipts				
Sale of Goods and Services		44,348	48,399	43,514
Interest Received		1,407	3,766	4,104
Other		16,086	7,802	13,057
Total Receipts		61,841	59,967	60,675
CASH FLOWS FROM GOVERNMENT				
NSW Health Department Recurrent Payments		406,604	406,604	367,384
NSW Health Department Capital Payments		5,781	5,792	6,445
NET CASH FLOWS FROM GOVERNMENT		412,385	412,396	373,829
NET CASH FLOWS FROM OPERATING ACTIVITIES	33	8,973	3,487	9,507
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from the Sale of Property, Plant and Equipment		9,543	10,459	5,109
Purchases of Property, Plant and Equipment		(30,742)	(31,817)	(16,326)
Purchase of Investments		(500)	(500)	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		(21,699)	(21,858)	(11,217)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from Borrowings		2,150	2,521	-
Repayment of Borrowings		(427)	(427)	(565)
NET CASH FLOWS FROM FINANCING ACTIVITIES		1,723	2,094	(565)
NET INCREASE/(DECREASE) IN CASH				
Opening Cash and Cash Equivalents		45,597	45,597	47,872
CLOSING CASH AND CASH EQUIVALENTS	32	34,594	29,320	45,597

The accompanying notes form part of these financial statements

HUNTER AREA HEALTH SERVICE
PROGRAM STATEMENT - EXPENSES AND REVENUES FOR THE YEAR ENDED 30 JUNE 1998

	Program 1.1*		Program 2.1*		Program 2.2*		Program 2.3*		Program 3.1*		Program 3.2*		Program 3.3*		Program 4.1*		Program 5.1*		Program 6.1*		Grand Total		
	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998	1997	1998
AGENCY'S EXPENSES AND REVENUES	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Expenses																							
Operating Expenses																							
Employee Related	2,361	1,149	25,663	42,179	565	492	30,373	14,416	16,934	20,713	151,919	128,317	15,775	11,937	33,576	31,143	52,205	41,684	3,582	5,846	332,953	297,876	
Other Operating Expenses	1,085	367	4,558	(2,802)	31	329	11,600	8,623	6,564	7,904	49,294	54,028	5,761	8,490	6,067	6,761	9,006	9,328	4,154	4,006	98,120	97,034	
Maintenance	186	52	1,302	2,157	120	47	1,667	1,414	492	1,327	5,407	3,355	779	696	568	623	1,838	1,091	560	806	12,919	11,568	
Depreciation & Amortisation	84	62	909	2,274	6	103	3,077	2,351	2,063	2,136	11,019	9,873	1,484	1,691	3,308	2,295	2,042	2,859	1,369	355	25,361	23,999	
Grants and Subsidies	693	-	4,528	1,587	300	-	8,645	7,416	4,575	2,624	25,722	26,891	2,714	1,658	-	-	4,732	5,042	723	599	52,632	45,817	
Finance Costs	-	-	-	-	-	-	15	-	8	-	65	3	7	-	12	-	19	2	-	-	126	5	
Other Expenses	-	(84)	-	1,196	-	(22)	-	(114)	-	(2,830)	-	4,510	-	370	-	44	-	634	-	1	-	3,705	
Total Expenses	4,409	1,546	36,960	46,591	1,022	949	55,377	34,106	30,636	31,874	243,426	226,977	26,520	24,842	43,531	40,866	69,842	60,640	10,388	11,613	522,111	480,004	
Retained Revenue																							
Sale of Goods and Services	-	27	-	4,911	-	-	303	792	202	1,272	12,873	14,899	938	1,583	1,265	1,499	29,337	19,631	-	194	44,918	44,808	
Investment Income	51	49	134	1,243	-	-	195	605	31	26	436	923	35	67	36	105	161	1,466	328	(380)	1,407	4,104	
Grants and Contributions	655	246	1,129	1,215	-	-	2,494	732	154	651	3,498	1,317	191	86	240	114	3,937	2,591	32	1,589	12,330	8,541	
Other Revenue	137	43	931	316	-	-	95	41	15	5	603	199	11	14	17	12	691	1,217	1,119	2,668	3,619	4,515	
Total Retained Revenue	843	365	2,194	7,685	-	-	3,087	2,170	402	1,954	17,410	17,338	1,175	1,750	1,558	1,730	34,126	24,905	1,479	4,071	62,274	61,968	
Gain/(Loss) on Sale of Non-Current Assets	(9)	(9)	(77)	(111)	(2)	1	(116)	(8)	(64)	1	(508)	(151)	(55)	(7)	(91)	(69)	(146)	(79)	(22)	(2)	(1,090)	(434)	
NET COST OF SERVICES	3,575	1,190	34,843	39,017	1,024	948	52,406	31,944	30,298	29,919	226,524	209,790	25,400	23,099	42,064	39,205	35,862	35,814	8,931	7,544	460,927	418,470	
Government Contributions	3,374	2,768	34,923	38,162	957	569	49,005	24,800	28,314	29,126	211,696	196,702	23,738	22,462	39,802	35,510	34,765	33,931	8,377	8,354	434,951	392,384	
SURPLUS/(DEFICIT) FOR THE YEAR	(201)	1,578	80	(855)	(67)	(379)	(3,401)	(7,144)	(1,984)	(793)	(14,828)	(13,088)	(1,662)	(637)	(2,262)	(3,695)	(1,097)	(1,883)	(554)	810	(25,976)	(26,086)	

* The name and purpose of each program is summarised in Note 17.

HUNTER AREA HEALTH SERVICE
SUMMARY OF PLANNED AND ACTUAL ALLOCATIONS RECEIVED
FOR THE YEAR ENDED 30 JUNE 1998

	Planned Expenditure	Actual Expenditure	Planned Expenditure	Actual Expenditure
	1998 \$000	1998 \$000	1997 \$000	1997 \$000
Recurrent Payments				
Program 1.1*	3,157	3,157	2,570	2,578
Program 2.1*	30,762	30,762	35,425	35,536
Program 2.2*	904	904	528	530
Program 2.3*	46,268	46,268	23,021	23,093
Program 3.1*	26,749	26,749	27,038	27,123
Program 3.2*	199,994	199,994	182,596	183,167
Program 3.3*	22,426	22,426	20,851	20,916
Program 4.1*	37,137	37,137	32,963	33,066
Program 5.1*	31,663	31,663	31,498	31,596
Program 6.1*	7,885	7,885	7,755	7,779
	406,945	406,945	364,245	365,384
Capital Payments				
Program 1.1*	44	44	-	-
Program 2.1*	2,482	2,482	1,125	1,090
Program 2.2*	4	4	-	-
Program 2.3*	211	211	284	286
Program 3.1*	104	104	399	402
Program 3.2*	779	779	3,377	3,583
Program 3.3*	87	87	285	286
Program 4.1*	637	637	375	439
Program 5.1*	1,373	1,373	221	221
Program 6.1*	61	61	19	19
	5,782	5,782	6,085	6,326
Total Payment	412,727	412,727	370,330	371,710

For 1997/98 actual recurrent expenditures varied from the Health Service's planned expenditures due to supplementation by Treasury during the year to cover increases in excess of the 3% base allocation. In addition to the Government inflows referenced above the Health Services also received loans from the NSW Health Department in the 1997/98 year, the balance of which as at 30 June 1998 was \$11.6 million.

No date has been agreed for repayment of the \$7.686m loan from the Department.

A loan of \$2.016m relating to the managed fund is due for repayment in 1998/99.

Repayment of \$0.5m (principal and interest) is to be made each year on an interest loan, and will be finally repaid in 2002. The balance of this loan as at 30th June 1998 is \$1.850m.

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HUNTER AREA HEALTH SERVICE NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1998

Note 1 - The Health Service Reporting Entity

The Health Service comprises all the operating activities of the Hospital facilities and the Community Health Centres under the control of the Health Service. It also encompasses the Special Purposes and Trust Funds which, while containing assets which are restricted for specified uses by the grantor or the donor, are nevertheless controlled by the Health Service.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

Note 2 - Summary of Significant Accounting Policies

The Health Service's Financial Statements are a general purpose financial report which has been prepared on an accruals basis and in accordance with applicable Australian Accounting Standards and the Urgent Issues Group Consensus Views, the requirements of the Public Finance & Audit Act and Regulations, the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent Agencies or issued by the Treasurer under Section 9(2)(n) of the Act and the requirements of the Public Hospitals Act 1929 and its regulations.

Where there are inconsistencies between the above requirements, the legislative provisions have prevailed.

Statements of Accounting Concepts are used as guidance in the absence of applicable Accounting Standards, Urgent Issues Group Consensus Views and legislative requirements.

Except for certain investments and property, plant and equipment, which are recorded at valuation, the financial statements are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Other significant accounting policies used in the preparation of these financial statements are as follows:

(a) NSW Health Department Recurrent Payments

Cash payments are made by the NSW Health Department on the basis of the net allocation for the Health Service as adjusted for approved supplementations mostly for salary agreements and approved enhancement projects. This allocation is included in the Operating Statement before arriving at the operating result on the basis that the allocation is earned in return for the health services provided in 1997/98 on behalf of the Department.

General operating expenses/revenues of Newcastle Mater Misericordiae Hospital and St Josephs Nursing Home have only been included in the Operating Statements prepared to the extent of the net cash

payments made to the Hospitals concerned. The Health Service is not deemed to own or control the various assets/liabilities of the aforementioned Hospitals and such amounts have been excluded from the Statement of Financial Position. Any exceptions are specifically listed in the notes that follow.

(b) Employee Entitlements

Wages and Salaries, Annual Leave, Long Service Leave, Sick Leave and On-Costs

Liabilities for wages and salaries, annual leave and vesting sick leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

Long service leave measurement is based on the remuneration rates at year end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the entitlements accrued in the future.

The outstanding amounts of workers' compensation insurance premiums and fringe benefits tax which are consequential to employment, are recognised as liabilities and expenses where the employee entitlements to which they relate have been recognised.

(c) Superannuation

The Health Service's liability for superannuation is assumed by the Crown Transactions Entity. The Health Service accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Transactions Entity of Superannuation Liability".

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(d) Insurance

The Health Service's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

(e) Use of Outside Facilities

The Health Service uses a number of facilities owned and maintained by the local authorities in the area to deliver community health services; no charges are raised by the authorities.

(f) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the agency. Cost is determined as the fair value of the assets given as consideration plus the costs incidental to the acquisition.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be charged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

Land and Buildings which are owned by the Health Administration Corporation or the State and administered by the Health Service are deemed to be owned by the Health Service and are reflected as such in the financial statements.

(g) Plant and Equipment

Individual items of plant and equipment costing \$5,000 and above are capitalised.

(h) Depreciation

Depreciation is provided for on a straightline basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Health Service. Land is not a depreciable asset.

Details of depreciation rates for major asset categories are as follows:

Buildings	2.5%
Electro Medical Equipment	
- Costing less than \$200,000	10%
- Costing more than or equal to \$200,000	12.5%
Computer Equipment	20%
Office Equipment	10%
Plant and Machinery	10%
Linen	20%
Furniture, Fittings and Furnishings	5%

(i) Revaluation of Physical Non-Current Assets

Buildings and improvements, plant and equipment and infrastructure assets (excluding land) are valued based on the estimated written down replacement cost of the most appropriate modern equivalent replacement

facility having a similar service potential to the existing asset. Land is valued on an existing use basis.

Land and buildings are revalued every five years by independent valuation. The last such revaluation was completed on 1 July 1996.

Where assets are revalued upward or downward as a result of a revaluation of a class of non-current physical assets, the Health Service restates separately the gross amount and the related accumulated depreciation of that class of assets.

The recoverable amount test has not been applied as the Health Service is a not-for-profit entity whose service potential is not related to the ability to generate net cash inflows.

(j) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and interest expense. Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(k) Patient Fees

Patient Fees are derived from chargeable inpatients and non-inpatients on the basis of rates specified by the NSW Health Department from time to time.

(l) Use of Hospital Facilities

Specialist doctors with rights of private practice are charged a facility fee for the use of hospital facilities at rates determined by the NSW Health Department and are based on fees collected.

(m) Research and Development Costs

Research and development costs are charged to expense in the year in which they are incurred.

(n) Investments

Marketable securities and deposits are valued at market valuation or cost. Non marketable securities are brought to account at cost.

For non-current investments, revaluation increments are credited directly to the asset revaluation reserve. Revaluation decrements are recognised in the Operating Statement except to the extent that the decrement reverses an increment previously credited to the asset revaluation reserve, in which case it should be debited to the asset revaluation reserve.

For current investments, revaluation increments and decrements are recognised in the Operating Statement.

Interest revenues are recognised as they accrue.

(o) Inventories

Inventories are stated at the lower of cost and net-realizable value. Costs are assigned to individual items of stock mainly on the basis of weighted average costs. Obsolete items are disposed of in accordance with instructions issued by the NSW Health Department.

(p) Administrative Restructuring

The transfer of net assets between agencies as a result of administrative restructuring is treated as a direct adjustment to the operating balance of "Accumulated Fund".

(q) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either Hunter Area Health Service or its counterparty and a financial liability (or equity instrument) of the other party. For Hunter Area Health Service these include cash at bank, receivables, investments, accounts payable and borrowings.

In accordance with Australian Accounting Standard AAS33, "Presentation and Disclosure of Financial Instruments", information is disclosed in Note 40 in respect of the credit risk and interest rate risk of financial instruments. All such amounts are carried in the accounts at net fair value. The specific accounting policy in respect of each class of such financial instruments is stated hereunder.

Classes of instruments recorded at cost and their terms and conditions at balance date are as follows:

Cash

Accounting Policies - Cash is carried at nominal values reconcilable to monies on hand and independent bank statements.

Terms and Conditions - Monies on deposit attract an effective interest rate of approximately 4.58%.

Receivables

Accounting Policies - Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full nominal amount is no longer probable.

Terms and Conditions - Accounts are issued on 30 day terms.

Investments

Accounting Policies - Investments reported at cost include both short term and fixed term deposits, exclusive of Hour Glass funds invested with Treasury

Corporation. Interest is recognised in the Operating Statement when earned. Shares are carried at a cost with dividend income recognised when the dividends are declared by the investee.

Terms and Conditions - Short term deposits have an average maturity of 30 days and effective interest rate of 5.33%.

Accounts Payable

Accounting Policies - Accounts Payable are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Health Service.

Terms and Conditions - Trade liabilities are settled within any term specified. If no terms are specified, payment is made by the end of the month following the month in which the invoice is received.

Borrowings

Accounting Policies - Loans are carried at the principal amount. Interest is charged as an expense as it accrues. Finance Lease Liability is accounted for in accordance with Australian Accounting Standard, AAS17.

Terms and Conditions - Non interest bearing loans of \$9.702 million are repayable as per agreement with Department of Health. \$2.016 million is due for repayment in 1998/99. No date has been agreed for the repayment of the remaining \$7.686 million.

Interest bearing loans of \$1.850 million are payable at yearly intervals with interest charged at 5.88%. \$0.389 million is due for repayment in 1998/99 with the final date for repayment being 2001/2002.

There are no classes of instruments which are recorded at other than cost or market valuation.

All financial instruments including revenue, expenses and other cash flows arising from instruments are recognised on an accruals basis.

(r) Comparative Figures

Comparative figures have not been provided on the financial instruments disclosure because AAS33, "Presentation and Disclosure of Financial Instruments", has been applied for the first time in the 1997/98 financial statements.

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

	1998 \$000	1997 \$000
Note 3 - Employee Related Expenses		
Employee related expenses comprise the following:		
Salaries and Wages	253,577	228,990
Enterprise Agreements/Awards	10,495	4,965
Long Service Leave [see note 2(b)]	8,768	10,141
Annual Leave [see note 2(b)]	24,665	21,155
Redundancies	-	186
Nurse Agency Payments	232	185
Other Agency Payments	29	-
Workers Compensation Insurance	12,963	11,339
Superannuation [see note 2(c)]	22,224	20,915
TOTAL	332,953	297,876
Note 4 - Goods and Services		
(a) Expenses on Goods and Services comprise the following:		
Food Supplies	4,948	4,595
Drug Supplies	13,871	13,640
Medical and Surgical Supplies	25,034	21,244
Special Service Departments	2,913	3,148
Fuel, Light and Power	3,812	3,983
Domestic Charges	3,817	6,446
Administrative Expenses	22,372	24,900
TOTAL	76,767	77,956
(b) Administrative Expenses include:		
Advertising	573	551
Aircraft Expenses (Ambulance)	446	492
Books and Magazines	704	663
Computer Services	793	603
Consultancies		
- Operating Activities	432	383
- Capital Works	10	51
Contract for Patient Services	32	33
Courier and Freight	802	487
External Audit Fees		
- Audit Work	120	128
- Other Services	8	-
Hospital Ambulance Transport Costs	1,983	1,680
Insurance	15	6
Legal Expenses	117	66
Membership/Professional Fees	34	61
Motor Vehicle Expenses	1,562	1,472
Operating Lease Expense	110	85
Payroll Services	673	548
Postal	473	448
Printing & Stationery	2,395	2,201
Provision for Bad and Doubtful Debts	1,131	1,145
Rates and Charges	972	745
Rental of Premises	497	139
Software/Licence Fees	872	880
Staff Training and Development	1,438	901
Telephone	2,418	2,193
Travelling - Overseas	274	360
Travelling - Domestic	389	447
Engagement of Consultants Costing Greater than \$30,000		
Name of Consultant/Title of Project		Actual Cost \$
Tunra Limited - Provision of Intellectual Property & Commercial Project Advice		40,000
Policy Management Systems Corporation - Workforce HRIS Project Management		203,258
Kasap & Associates - Bed Management Study		79,580
Hunter Centre for Health Advancement - Patient Satisfaction Survey		38,840
		<u>361,678</u>
Engagement of Consultants Costing Less than \$30,000		
Total Number of Engagements 40		<u>80,104</u>
TOTAL		<u>441,782</u>

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	1998 \$000	1997 \$000
Note 5 - Maintenance		
Repairs and Routine Maintenance	8,730	7,915
Other		
Renovations and Additional Works	294	350
Replacements and Additional Equipment less than \$5,000	3,895	3,303
TOTAL	12,919	11,568
Note 6 - Depreciation and Amortisation Expense		
Depreciation - Buildings	19,264	19,097
Depreciation - Plant and Equipment	6,097	4,902
TOTAL	25,361	23,999
Note 7 - Grants and Subsidies		
Mammographic Grants	3,073	-
Non-Government Organisations - Support Services	1,320	1,321
Lead remediation	693	-
Yallarwah Aboriginal House - Accommodation	300	-
National Hospital Demonstration Program	25	-
TOTAL	5,411	1,321
Note 8 - Finance Costs		
Interest	126	5
TOTAL	126	5
Note 9 - Payments to Third Schedule Hospitals		
a) Operating		
Newcastle Mater Misericordiae Hospital	46,780	44,175
TOTAL	46,780	44,175
b) Capital Replacements		
Newcastle Mater Misericordiae Hospital	191	322
St. Joseph's Home	250	-
TOTAL	441	322
Note 10 - Other Expenses		
Physical Non-Current Asset Revaluation Decrement		
-Plant and Equipment	-	3,705
TOTAL	-	3,705

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

	1998 \$000	1997 \$000
Note 11 - Sale of Goods and Services		
Sale of Goods and Services comprise the following:		
Patient Fees [see note 2(k)]	28,639	30,017
Staff - Meals and Accommodation	974	970
Use of Hospital Facilities [see note 2(l)]	6,642	7,066
Car Parking	1,116	903
Child Care Fees	420	-
Lease and Rental Income	314	346
Non Staff Meals	199	220
Linen Service Revenues - Other Health Services	714	27
Linen Service Revenues - Non Health Services	3,919	1,744
Sale of Prosthesis	318	316
Other	1,663	3,199
TOTAL	44,918	44,808
Note 12 - Investment Income		
Interest	1,407	4,104
TOTAL	1,407	4,104
Note 13 - Grants and Contributions		
Grants		
Commonwealth	1,762	1,118
Mammography	3,220	2,617
Budget Sector Bodies	2,396	1,094
Donations	3,793	2,867
Other	1,159	845
TOTAL	12,330	8,541
Note 14 - Other Revenue		
Other Revenue comprises the following:-		
SP&TF Other Revenue	1,393	2,081
Commissions	135	81
Sale of Goods and Services	253	370
Other	1,838	1,983
TOTAL	3,619	4,515
Note 15 - Gain/(Loss) on Sale of Non-Current Assets		
Property, Plant and Equipment	13,833	6,056
Less Accumulated Depreciation	3,199	513
Written Down Value	10,634	5,543
Less Proceeds from Sale	9,544	5,109
Net Revenues from Disposal of Non-Current Assets	(1,090)	(434)

Note 16 - Conditions on Contributions

	Purchase of Assets	Health Promotion Education and Research	Other	Total
	\$000	\$000	\$000	\$000
* Contributions recognised as revenues during current year for which expenditure in manner specified had not occurred as at balance date.	957	3,001	1,629	5,587
* Aggregate of Contributions recognised as revenues during the financial year which were specifically provided for expenditure over a future period.	-	-	-	-
* Revenues recognised in previous years which were obtained for expenditure in the current financial year	-	-	-	-
* Total Amount of unexpended Contributions as at Balance Date	3,871	10,558	13,684	28,113
Comment on restricted assets appears in Note 23.				

Note 17 - Programs/Activities of the Agency

Program 1.1 Population Health Services

Objective: To promote health and reduce the incidence of preventable disease and disability by improving access to opportunities and prerequisites for good health.

Program 2.1 Primary and Community Based Services

Objective: To improve, maintain or restore health through health promotion, early intervention, assessment, therapy and treatment services for clients in a home or community setting.

Program 2.2 Aboriginal Health Services

Objective: To raise the health status of Aborigines and to promote a healthy lifestyle.

Program 2.3 Outpatient Services

Objective: To improve, maintain or restore health through diagnosis, therapy, education and treatment services for ambulant patients in a hospital setting.

Program 3.1 Emergency Services

Objective: To reduce the risk of premature death and disability for people suffering injury or acute illness by providing timely emergency diagnostic, treatment and transport services.

Program 3.2 Overnight Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital on an overnight basis.

Program 3.3 Same Day Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital and discharged on the same day.

Program 4.1 Mental Health Services

Objective: To improve the health, well being and social functioning of people with disabling mental disorders and to reduce the incidence of suicide, mental health problems and mental disorders in the community.

Program 5.1 Rehabilitation and Extended Care Services

Objective: To improve or maintain the well being and independent functioning of people with disabilities or chronic conditions, the frail aged and the terminally ill.

Program 6.1 Teaching and Research

Objective: To develop the skills and knowledge of the health workforce to support patient care and population health. To extend knowledge through scientific enquiry and applied research aimed at improving the health and well being of the people of New South Wales.

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

Note 18 - Interest in Joint Venture

Hunter Area Health Service has a 50% interest in the assets, liabilities and output of a joint venture arrangement, called Pacific Linen Services, for the washing and cleaning of hospital linen.

The interest in the joint venture is included in the accounts as follows:

	1998 \$000	1997 \$000
Total Expenses	4,513	-
(Surplus)/Deficit for Year	56	-
Current Assets		
Cash	154	-
Receivables	991	-
Total Current Assets	1,145	-
Non Current Assets		
Land & Buildings	118	-
Plant & Equipment	2,888	-
Total Non Current Assets	3,006	-
Total Assets	4,151	-
Current Liabilities 1,140	-	
Accounts Payable	1,140	-
Provision for Employee Entitlement	139	-
Borrowings	389	-
Total Current Liabilities	1,668	-
Non Current Liabilities		
Provision for Employee Entitlement	41	-
Borrowings	1,461	-
Total Non Current Liabilities	1,502	-
Total Liabilities	3,170	-
Operating Lease Commitments (refer Note 289(b))	2,667	-

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	1998 \$000	1997 \$000
Note 19 - Investments		
Current		
Deposits - Treasury Corporation	-	35,000
Deposits - Commonwealth Bank	25,000	-
	<u>25,000</u>	<u>35,000</u>
Note 20 - Receivables		
Current		
(a) Sale of Goods and Services	6,741	6,303
Other Debtors	5,177	5,201
- Prepayments	649	669
- Debtor Intra Health	<u>2,572</u>	<u>2,634</u>
SUB TOTAL	15,139	14,807
Less Provision for Doubtful Debts	<u>(2,791)</u>	<u>(1,711)</u>
	<u>12,348</u>	<u>13,096</u>
(b) Bad debts written off during the year		
- Sale of Goods and Services	<u>51</u>	<u>276</u>
	<u>51</u>	<u>276</u>
Sale of Goods and Services includes:		
Patient Fees - Compensable	2,655	2,207
Patient Fees- Ineligible	229	227
Patient Fees - Other	<u>3,857</u>	<u>3,869</u>
Note 21 - Inventories		
Current - at cost		
Drugs	867	895
Medical and Surgical Supplies	1,318	1,479
Food and Hotel Supplies	127	133
Engineering Supplies	7	12
Other including Goods in Transit	71	85
	<u>2,390</u>	<u>2,604</u>

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

Note 22 - Property, Plant and Equipment

	Land \$000	Buildings \$000	Construction in Progress \$000	Plant & Equipment \$000	Other \$000	Total \$000
Balance 1 July 1997						
At Valuation date 1 July 1996	35,436	773,938	-	35,446	-	844,820
At Cost	300	5,971	2,700	8,890	12,718	30,579
Capital Expenditure/Donations [See note 2(k)(iii)&(iv)]	459	1,350	11,521	7,163	6,778	27,271
Disposals	(775)	(2,820)	-	(3,663)	(6,575)	(13,833)
Reclassifications	-	7,579	(9,328)	1,701	48	-
Balance 30 June 1998						
At Valuation date 1 July 1996	34,661	771,117	-	25,209	-	830,987
At Cost	759	14,901	4,893	24,328	12,969	57,850
TOTAL	35,420	786,018	4,893	49,537	12,969	888,837
Depreciation						
Balance 1 July 1997						
At Valuation date 1 July 1996	-	318,334	-	6,488	-	324,822
At Cost	-	24	-	483	1,366	1,873
Charge for the Year [see note 2(f)]	-	19,264	-	5,655	442	25,361
Adjustment for Disposals	-	(2,066)	-	(958)	(175)	(3,199)
Balance 30 June 1998						
At Valuation date 1 July 1997	-	335,507	-	10,603	-	346,110
At Cost	-	49	-	1,065	1,633	2,747
TOTAL	-	335,556	-	11,668	1,633	348,857
Carrying Amount 30 June 1998						
At Valuation date 1 July 1996	34,661	435,610	-	14,606	-	484,877
At Cost	759	14,852	4,893	23,263	11,336	55,103
TOTAL	35,420	450,462	4,893	37,869	11,336	539,980

- (i) Land and Buildings include land owned by the NSW Health Department and administered by the Health Service [see note 2(f)].
- (ii) Land and Buildings were valued by Global Valuation Services Pty Ltd (FRICS, FVLE Val & Econ) on 1 July 1996 [see note 2(i)]. Global Valuation Services Pty Ltd is not an employee of the Health Service.
- (iii) Plant and Equipment, other than motor vehicles, were valued by Global Valuation Services Pty Ltd & the Health Service on 1 July 1996 on the basis of depreciated replacement cost.

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	1998 \$000	1997 \$000
Note 23 - Restricted Assets		
The Health Service's financial statements include the following assets which are restricted by externally imposed conditions, eg: donor requirements. The assets are only available for application in accordance with the terms of the donor restrictions.		
Category	Brief Details of Externally Imposed Conditions	
Special Purposes	Condition imposed by granting body	18,221
Perpetually Invested Funds	Principal not to be spent	68
Research Grants	Condition imposed by granting body	2,575
Private Practice Trust Funds	Trust Deed	7,249
		16,553
		64
		2,636
		8,006
Note 24 - Accounts Payable		
Current		
Trade Creditors		6,834
Other Creditors		5,903
- Capital Works	-	4,374
- Other	5,624	5,058
TOTAL	12,458	15,335
Note 25 - Borrowings		
Current		
Other Loans and Deposits	2,405	-
TOTAL	2,405	-
Non-Current		
Other Loans and Deposits	9,147	9,702
TOTAL	9,147	9,702
Other loans represent monies to be repaid to the NSW Health Department.		
Repayment of Borrowings (excluding Finance Leases)		
Not later than one year	2,405	-
Between one and two years	412	2,016
Between two and five years	1,049	-
Later than five years	7,686	7,686
Total Borrowings at face value (excluding Finance Leases)	11,552	9,702

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

	1998 \$000	1997 \$000
Note 26 - Current/Non-Current Liabilities - Employee Entitlements		
Current		
Employee Annual Leave	31,539	27,957
Employee Long Service Leave	4,875	4,468
Accrued Salaries and Wages	5,541	7,364
Aggregate employee entitlements	41,955	39,789
Non-Current		
Employee Long Service Leave	44,736	40,587
Aggregate employee entitlements	44,736	40,587
Total Current and Non Current	86,691	80,376

Note 27 - Equity

	Accumulated Surplus/(Deficit)		Asset Revaluation		Total Equity	
	1998 \$000	1997 \$000	1998 \$000	1997 \$000	1998 \$000	1997 \$000
Balance at the beginning of the financial year	444,717	548,608	59,870	-	504,587	548,608
(Deficit) for the Year	(25,976)	(26,086)	-	-	(25,976)	(26,086)
Increment/(Decrement) on Revaluation of:						
Land	-	-	-	10,175	-	10,175
Building and Improvements	-	-	-	49,695	-	49,695
Correction to previously recognised assets (Buildings)	-	(77,805)	-	-	-	(77,805)
Balance at the end of the financial year	418,741	444,717	59,870	59,870	478,611	504,587

	1998 \$000	1997 \$000
Note 28 - Commitments for Expenditure		
(a) Capital Commitments		
Aggregate capital expenditure contracted for at balance date but not provided for in the accounts		
Not later than one year	3,689	5,948
Between one and two years	210	-
Between two and five years	25	-
Total Capital Expenditure Commitments	3,924	5,948
Of the above amount reported for 1998 it is expected that \$2.304m will be met from locally generated monies.		
(b) Operating Lease Commitments		
Commitments in relation to non-cancellable operating leases are payable as follows:		
Not later than one year		
Joint Venture	283	-
Other	91	93
Between one and two years		
Joint Venture	283	-
Other	67	61
Between two and five years		
Joint Venture	850	-
Other	115	133
Later than five years		
Joint Venture	1,251	-
Other	563	588
Total Operating Lease Commitments - Joint Venture	2,667	-
Total Operating Lease Commitments - Other	836	875
Total Operating Lease Commitments	3,503	875

These operating leases are not recognised in the financial statements as liabilities.

Note 29 - Trust Funds

The Health Service holds Trust Fund monies of \$1.333 million which are used for the safe keeping of patient's monies, deposits on hired items of equipment and Private Practice Trusts. These monies are excluded from the financial statements as the Health Service cannot use them for the achievement of its objectives. The following is a summary of the transactions in the trust account:

	Patient's Trust 1998 \$000	Refundable Deposits 1998 \$000
Cash balance at the beginning of the financial year	1,281	161
Receipts	3,519	356
Expenditure	3,619	366
Cash Balance at the end of the financial year	1,181	151

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

Note 30 - Contingent Liabilities

(a) Claims on Managed Fund

At balance date there were contingent liabilities in relation to claims received for Public Liability estimated at \$10,895,690 (1997 \$9,484,066), which have not otherwise been taken up in the financial statements. The claims principally relate to personal injury and property damage. It is expected that these claims will be covered by the Treasury Managed Fund if required and as such no expected liability to the Hunter Area Health Service will be incurred.

(b) 1995/96 Workers Compensation Hindsight Adjustment

When the New Start (to the) Treasury Managed Fund was introduced in 1995/96 hindsight adjustments in respect of Workers Compensation (three years from commencement of Fund Year) became operative. A contingent liability may therefore exist in respect of the 1995/96 Workers Compensation Fund Year.

The Treasury Managed Fund provides estimates as at 30 June each year and the latest available, viz those advised as at 30 June 1997 estimate that a liability of \$130,000 is applicable.

This estimate is subject to further actuarial calculation and a better indication of quantum will not be available until the last quarter of 1998.

(c) Sessional Visiting Medical Officers Superannuation

For the period 1 July 1993 to 31 January 1994, the Department, by agreement with the Australian Medical Association, withdrew at least 5% from normal hourly rates paid to Sessional VMOs with monies either being lodged to the credit of approved superannuation funds or held in the General Fund. The Department's position is that no superannuation guarantee charge liability exists in respect of NSW Health entities for any Visiting Medical Officer since 1 July 1992 and a judicial decision has been sought on this position.

Note 31 - Charitable Fundraising Activities

The Hunter Area Health Service conducts direct fundraising in all hospitals under its control.

Income received, and the cost of raising income for specific fundraising, has been audited and all revenue and expenses have been recognised in the financial statements of the Hunter Area Health Service. Fundraising activities are dissected as follows:

	Income Raised \$000	Direct Expenditure* \$000	Indirect Expenditure* \$000	Net Proceeds \$000
Appeals (In House)	37	-	-	37
Fetes	2	-	-	2
Raffles	19	8	-	11
Functions	32	12	-	20
TOTAL	90	20	-	70
Percentage of Income	<u>100%</u>	<u>22%</u>	<u>0%</u>	<u>78%</u>

* Direct Expenditure includes printing, postage, raffle prizes, consulting fees, etc

+ Indirect Expenditure includes overheads such as office staff administrative costs, cost apportionment of light, power and other overheads.

The net proceeds were used for the following purposes:

	\$000
Purchase of Equipment	42
Purchase of Land and Buildings	-
Research	-
Held in Special Purpose and Trust Fund Pending Purchase	28
TOTAL	<u><u>70</u></u>

The provision of the Charitable Fundraising Act 1991 and the regulations under that Act have been complied with and internal controls exercised by the Hunter Area Health Service are considered appropriate and effective in accounting for all the income received in all material respects.

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	1998 \$000	1997 \$000
Note 32 - Cash and Cash Equivalents		
For the purposes of the Cash Flow Statement, cash includes cash and bank overdraft. Cash at the end of the financial year as shown in Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:		
Cash	9,594	10,596
Investments	25,000	35,000
Closing Cash and Cash Equivalents (per Cash Flow Statement)	34,594	45,596

Note 33 - Reconciliation of Net Cost of Services to Net Cash Flows from Operating Activities

Net Cash Used on Operating Activities	8,973	9,507
Depreciation	(25,361)	(23,999)
Provision for Doubtful Debts	(1,131)	(1,145)
Acceptance by the Crown Transactions Entity of Superannuation Liability	(22,224)	(20,915)
(Increase)/Decrease in Provisions	(8,139)	(8,360)
Increase/(Decrease) in Prepayments and Other Assets	231	(1,600)
(Increase)/Decrease in Creditors	200	2,305
Net (Loss)/Gain on Sale Property, Plant and Equipment	(1,090)	(434)
NSW Health Department Recurrent Payment	(406,604)	(367,384)
NSW Health Department Capital Payments	(5,781)	(6,445)
Net Cost of Services	(460,926)	(418,470)

Note 34 - 1997/1998 Voluntary Services

It is considered impracticable to quantify the monetary value of Voluntary Services provided to the Health Service. Services provided include:

- Chaplaincies and Pastoral Care
- Patient and Family Support
- Pink Ladies/Hospital Auxiliaries
- Patient Services, Fundraising
- Patient Support Groups
- Practical Support to Patients and Relatives
- Community Organisations
- Counselling, Health Education, Transport, Home Help and Patient Activities

Note 35 - Unclaimed Monies

Unclaimed salaries and wages are paid to the credit of the Department of Industrial Relations and Employment in accordance with the provisions of the Industrial Arbitration Act, 1940, as amended.

All money and personal effects of patients which are left in the custody of Health Services by any patient who is discharged or dies in the hospital and which are not claimed by the person lawfully entitled thereto within a period of twelve months are recognised as the property of health services.

All such money and the proceeds of the realisation of any personal effects are lodged to the credit of the Samaritan Fund which is used specifically for the benefit of necessitous patients or necessitous outgoing patients.

HUNTER AREA HEALTH SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (CONT)

Note 36 - Budget Review

Net Cost of Services

The actual net cost of services was lower than budget by \$2.225m, this was primarily due to less than budgeted expenditure in Special Purpose and Trust.

Assets and Liabilities

The balance of Current Assets is greater than budget. The favourability in expenditure is reflected in a higher cash balance, debtors have also increased significantly. Current liabilities have also increased in comparison to budget. This increase is mainly due to an increase in Annual Leave and Long Service Leave provisions.

Cash Flows

There is a \$5.5m favourability in the Net Cash Flows from Operating Activities. This is made up of \$3.6m in Payments and \$1.9m in Receipts. Payments would reflect a favourability in Special Purpose and Trust expenditure and an increase in creditors and provisions. The favourability in Revenue is primarily in Special Purpose and Trust.

Note 37 - Post Balance Date Events

a) Awards

Agreements with unions provide for the following increases payable after 30 June 1998.

	1 July 1998	1 January 1999	1 July 1999
	%	%	%
NSW NA	3	3	-
HREA	6	3	-
PSA	5	5	-
ASMOF	3	3	-
Trades	-	-	-

b) Motor Vehicles

During the 1998/99 financial year an operating lease facility is to be established for the motor vehicle fleet of all Health Services. The new facility will be established through an open tender process to be arranged through the NSW Treasury.

Under the arrangement, all existing vehicles suitable for acquisition under an operating lease facility will be sold and leased back to the Health Service.

The capital funds to be released through the sale of motor vehicles is to be paid to the Consolidated Fund to support the budget.

Note 38 - Related Party Disclosures

Transactions with Director Related Entities

Professor Katherine McGrath, Chief Executive Officer of the Hunter Area Health Service, is one (1) of ten (10) directors on the board of Hunter Medical Research Foundation.

Hunter Medical Research Foundation, a registered charity, is a joint effort between the University of Newcastle and Hunter Area Health Service, to establish the Hunter as a centre of excellence in medical research and education.

The Foundation hopes to;

- Raise funds for research in the Hunter
- Promote existing world class health research being conducted in the Hunter, and
- Establish the Hunter Medical Research Institute on the John Hunter Hospital campus which will provide a powerful incentive for the best health professionals to remain in, or move to, the Hunter region.

Accounting Services and office accommodation was provided to Hunter Medical research by the Hunter Area Health Service free of charge.

A donation of \$50,000 was made by Hunter Area Health Service to Hunter Medical Research Foundation to enable it to carry out its activities.

Note 39 - Year 2000 Date Change

The Hunter Area Health Service is investigating if and to what extent the date change from 1999/2000 may affect its activities. The Hunter Area Health Service has established a program to help ensure that the impact of the transition to the Year 2000 on the Health Service and its constituency is minimised by seeking to ensure that its significant/core computer hardware, software and/or systems are year 2000 compliant.

The success of the program is dependent on the milestones and achievements that the Hunter Area Health Service is expected to meet. At the date of this report the Hunter Area Health Service is not aware of any matter that would significantly impact on the success of the program.

The Hunter Area Health Service's activities may also be affected by the ability of third parties dealing with the Hunter Area Health Service to also manage the effect of the Year 2000 date change. These third parties have not been willing to provide assurances that their systems are year 2000 compliant.

Note 40 - Financial Instruments

a) Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. Hunter Area Health Service's exposure to interest rate risks and effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the (consolidated) Statement of Financial Position date are as follows:

Financial Instruments	Floating interest rate 1998 \$000	Fixed interest rate maturing in:			Non-interest bearing 1998 \$000	Total carrying amount as per the Statement of Financial Position 1998 \$000	Weighted average effective interest rate* 1998 %
		1 year or less 1998 \$000	Over 1 to 5 years 1998 \$000	More than 5 years 1998 \$000			
Financial Assets							
Cash	9,287	-	-	-	307	9,594	4.58%
Receivables	-	-	-	-	12,348	12,348	-
Other Loans and Deposits	-	25,000	-	-	12,655	46,942	
Financial Liabilities							
Borrowings - Other	-	-	1,850	-	9,702	11,552	5.88%
Accounts Payable	-	-	-	-	12,458	12,458	-
Total Financial Liabilities	-	-	1,850	-	22,160	24,010	

* Weighted average effective interest rate was computed on a semi-annual basis. It is not applicable for non-interest bearing financial instruments.

b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract or financial position failing to discharge a financial obligation thereunder. The Hunter Area Health Service's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the consolidated Statement of Financial Position.

Credit Risk by classification of counterparty.

	Governments 1998 \$000	Banks 1998 \$000	Patients 1998 \$000	Other 1998 \$000	Total 1998 \$000
Financial Assets					
Cash	307	9,287	-	-	9,594
Receivables	2,583	-	3,950	5,815	12,348
Other Loans & Deposits	-	25,000	-	-	25,000
Total Financial Assets	2,890	34,287	3,950	5,815	46,942

ACTIVITY STATISTICS

Unit	Staff Employed Average FTE	Average Available Beds	Occupied Bed days	Total Admissions	Same Day Admissions
James Fletcher - Morisset	268.4	168.4	56,745	402	10
James Fletcher - Newcastle	203.2	86.7	30,135	2,178	97
James Fletcher - Shortland Clinic	23.3	21	5,554	309	13
Residential Rehabilitation Program ³	17.6	43.8	11,594	51	0
Lowrey Lodge ³	14.3	12	3,448	968	0
Cessnock District Hospital	192.7	82.1	23,252	5,194	1,473
Dungog and District Hospital	24.4	15	3,298	279	16
Kurri Kurri District Hospital	106.5	40.3	10,849	2,469	597
The Maitland Hospital	361	145	48,188	11,558	2,882
Merriwa District Hospital	17.1	13	2,940	263	21
Muswellbrook District Hospital	93.8	42	8,836	2,909	935
Denman Hospital	17.9	15	3,445	288	47
Mater Misericordiae Hospital	704.3	167	56,165	10,550	3,045
Royal Newcastle Hospital	464.7	119.7	34,952	7,430	3,756
Belmont District Hospital	243.8	91.2	29,816	6,613	1,711
Scott Memorial Hospital	58.8	36	8,590	1,992	400
Singleton District Hospital	124.7	65	14,617	4,003	1,458
Wilson Memorial Hospital	21.7	18	4,195	192	18
Health Programs	308.6	0	0	0	0
Nelson Bay Polyclinic	42.1	14	3,164	786	51
Community Mental Health	101.7	0	0	0	0
Hunter Rehabilitation Service ³	59	4	710	29	0
Medical Genetics	12.2	0	0	0	0
John Hunter Hospital	2,038.9	602.3	219,438	52,225	24,824
Lower Hunter Community Health Services	72.3	0	0	0	0
Upper Hunter Community Health Services	29	0	0	0	0
Greater Newcastle Community Health Services	99.1	0	0	0	0
Wallsend Nursing Home	96.8	103	37,444	55	0
Muswellbrook Nursing Home	15.6	18	6,414	26	0
Allandale Nursing Home	332.3	336	121,462	157	0
Hunter Area Pathology Service	263.7	0	0	0	0
Hunter Health Imaging Service	109.3	0	0	0	0
Pacific Linen	188.2	0	0	0	0
Other	186.4	0	0	0	0
Grand Total	6,913.0	2,251.90	743,969	110,903	41,354

1. Adjusted Daily Average (ADA). A comprehensive measure of the average daily patient workload of a healthcare facility. It comprises the daily average of the inpatient activity plus an equivalent conversion factor for non-inpatient occasions of service and neo-natal activity.

Source: DOHRS as at 30 June 1998. Print run 26 August 1998.

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Daily Average Inpatients	A.D.A. ¹	Bed Occupancy Rate (%)	Average LOS ²	ALOS ² ex Same Day	Non Inpatient Services	%Charged BedDays	Babies Born
155.5	155.5	92.3	139.4	142.9	241	83.3	0
82.6	85.8	95.2	13.8	14.4	11,782	15.8	0
15.2	16.6	72.4	17.2	17.9	4,998	11.6	0
28.3	29.6	76.1	332.6	332.6	4,755	0	0
9.4	10.2	78.9	3.6	3.6	2,929	0	0
62.3	74.7	75.8	4.5	5.8	42,768	19.3	156
9	10.3	60.2	11.8	12.4	4,738	44.3	0
29.7	40	73.8	4.4	5.4	37,678	17.7	0
123.4	148.1	85.1	4.2	5.2	74,472	20.4	1,277
8.1	8.5	62	11	11.9	1,449	59.5	0
21.9	25.4	52.1	3	4	8,749	19.9	235
9.4	9.8	62.9	12.1	14.3	1,180	69	0
153.9	189	92.2	5.3	7.1	128,270	26	0
95.8	121.4	80	4.7	8.5	93,459	18.5	0
75.9	92.6	83.2	4.5	5.7	50,494	17.3	656
21.8	24	60.6	4.3	5.1	5,013	25.2	133
37.6	41.5	57.8	3.6	5.1	9,693	27	245
11.5	12.2	63.9	21.3	23.3	2,416	76.7	0
0	60.4	0	0	0	220,550	0	0
8.7	16.2	61.9	4	4.2	27,342	25.6	0
0	23.5	0	0	0	85,776	0	0
1.9	10.5	48.3	25.4	25.4	31,343	0	0
0	0.1	0	0	0	441	0	0
574	685.7	95.3	4.2	7.1	358,144	20.7	3,491
0	15.4	0	0	0	56,179	0	0
0	9.8	0	0	0	35,936	0	0
0	31	0	0	0	113,237	0	0
102.6	102.6	99.6	680.8	680.8	0	100	0
17.6	17.6	97.6	237.6	237.6	0	100	0
332.8	332.8	99	783.6	783.6	0	100	0
0	0	0	0	0	0	0	0
0	13	0	0	0	47,522	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,988.60	2,413.80	88.3	6.7	10.1	1,461,553	44.1	6,193

2. Length of stay in days.

3. Not part of the Inpatient Statistics Collection.

FREEDOM OF INFORMATION

P = Personal NP = Non-personal	97/98		96/97		95/96		94/95		93/94	
	P	NP	P	NP	P	NP	P	NP	P	NP
Number of Applications										
Applications c/f	0	0	1	0	1	1	1	0	16	3
New Applications	42	6	27	9	54	22	30	20	61	0
Applications Completed	37	3	28	9	48	15	29	20	76	0
Applications Not Completed	5	3	0	0	7	8	2	0	1	0
Number of Amendments or Notations	0	0	0	0	0	0	0	0	0	0
Outcome of Applications										
Completed Applications										
Granted in Full	34	2	26	2	44	5	21	7	44	0
Granted in Part	1	1	0	7	4	0	1	2	2	0
Refused	2	0	2	0	0	10	3	11	18	3
Applications Granted in Part or Refused										
Exempt	1	1	0	1	1	0	0	2	2	0
Otherwise Available (Section 25)	1	0	2	6	3	10	3	11	18	3
Refused - Section 44a	1	0								
Number of Discounts Allowed										
Financial Hardship	3	1	7	0	7	0	3	0	15	0
Public Interest	-		0	0	0	0	0	0	0	0
Time Taken										
Processing Time										
0-30 days	34	1	27	7	48	15	22	16	73	3
31-45 days	3	1	1	2	0	0	3	3	2	0
Over 45 days		1	0	0	0	0	0	1	1	0
Reviews and Appeals										
Reviews and Appeals Finalised	0		0	0	0	0	1	0	2	0
Number of Ombudsman Reviews	0		0	0	0	0	0	0	0	0
Fees										
Fees Received			\$895		\$1,582		\$1,417.80		\$1,337	

The year under review has seen an increase in the number of FOI applications received and processed. As previously noted, there are alternative avenues in place within all units, in accordance with NSW Health policy, that allow people to access and/or obtain copies of their medical records.

The Hunter Area Health Service publishes a separate Freedom of Information Statement of Affairs. For details on how to access this, please contact (02) 4921 4922.

ACKNOWLEDGMENTS

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Ms Val Coughlin-West, Director of Nursing and Organisational Development

Ms Tracey Dowling, Acting Director of Finance

Ms Jane Gray, Manager Public Affairs

Dr Robert Porter, Director of Medical Services

Sr Margaret Sinclair, Board Member

Ms Tanja Stojcevski, Public Affairs Officer

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HUNTER HEALTH

Improving Health in the Hunter

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