

On behalf of the Board of Management it is with pleasure that we present the 9th Annual Report of East Wimmera Health Service (EWHS) for the year ended 30 June 2008.

This report includes the Report of Operations for the East Wimmera Health Service which was prepared in accordance with the Financial Management Act 1994. We have witnessed another year of substantial progress and performance in the delivery of quality services to our communities.

The commitment of the EWHS Board of Management and staff to the Mission and Values of EWHS remains strong, as do the community ties that have grown over many years.

The Annual Report and Quality Report are incorporated in the one publication and meet statutory reporting requirements. An abbreviated report will be circulated to households throughout our catchment area via local newspapers.

Forward planning

As foreshadowed in last year's report, the Board, in collaboration with the Department of Human Services (DHS), engaged a health planner to prepare a Strategic Plan Implementation Analysis and this report was finalised in September 2007. DHS has provided in principle support approval of the direction and recommendations in the strategic plan.

The purpose of this assignment was to:

- analyse key components of the February 2007 Strategic Plan, including aged residential care and acute care by campus, and primary and community service needs.
- assess the likely service model and infrastructure needs consistent with this analysis to enable EWHS to consider master planning (redevelopment).

Forward planning is critical to the sustainability of the Health Service and to ensure the effective delivery of the right balance of services in a changing demographic environment. We are witnessing a declining and ageing population, stronger community expectations of the type of care they receive, and greater clinical governance requirements. We are endeavouring to respond to these challenges in a tight funding environment, a fragmented funding system, and with a building infrastructure and model of care that are more reminiscent of a past era.

EWHS provides excellent bed based services in acute and aged care, but has more beds than required. We also have excellent but limited primary care resources. EWHS services a geographic area of 12,000 square kilometres, which is large by Victorian standards. The population catchment area has one of the worst burdens of disease profiles in the State. It is a recognition of these factors that calls for a somewhat radical change.

The Strategic Plan

The findings and recommended directions in the Strategic Implementation Plan are challenging. With 64 acute beds across EWHS, the bed ratio per 1000 population is 8.8 beds compared with the State average of 2.2 beds. Bed occupancy is only 30% compared with the State benchmark of 85% which equates to a resource imbalance issue.

Surgical caseload is small and of low complexity and birthing services are at a negligible level; which is a clinical governance issue.

There is a declining trend in occupancy for aged residential care beds and declining levels of dependency which is a financial sustainability issue.

Urgent care presentations to accident and emergency are increasing, demonstrating a high level of demand for General Practitioner services which is an accessibility and availability issue.

Primary and community staffing resources are spread over many professions and sites which is a resource allocation issue.

Bed configuration

The main thrust of proposed changes, in the medium to longer term, is to reduce bed numbers at each campus plus consolidate all beds into one cluster at each campus. The numbers take into account current use and projected use and the streamlining of bed numbers will reduce staff rostering demands, particularly nursing resources. This will ease the current and projected difficulties in recruitment, open up broader community nursing career options, and allow for allocation of resources into an expansion of primary care staff.

The proposed bed configurations over the next decade, associated with redevelopment of buildings and services, are represented in Table 1.

Further detailed analysis and funding model options require discussions with the Department of Human Services (DHS) and may involve negotiations with the Australian Government concerning residential aged care.

a word from the board

Campus	Notional bed split			
	high care	low care	acute	total
St. Arnaud	30	0	10	40
Wycheproof	20	5	5	30
Donald	10	0	5	15
Charlton	10	0	5	15
Birchip	10	0	5	15
Total	80	5	30	115
Current	82	15	64	161
Variation from current	-2	-10	-34	-46

Table 1: Proposed bed configurations for each EWHS Campus 2008-2018

Public consultations

During February 2008, EWHS hosted community discussion meetings in each of the five towns with EWHS Campuses. Health planner Mr Peter Axten provided details of the content of the EWHS Strategic Implementation Plan. Board President, Mr Ken Round and EWHS Chief Executive Officer Mr Robert Bulmer facilitated those discussions. In April 2008, follow-up meetings were held in each town to provide further opportunity for debate and discussions about the challenges and the future directions of EWHS. The two rounds of meetings demonstrated a high level of interest within our communities, resulting in support for the directions outlined. Importantly, the communities saw the work of EWHS from a regional perspective rather than from an individual campus perspective. This demonstrated a high level of acceptance of EWHS as one service and its foreshadowed changing role in relation to larger health providers in the Grampians and Loddon Mallee health regions.

The Board is establishing Community Consultation Forums in each town, inviting community representatives who are interested in contributing to the ongoing improvement and development of EWHS. The forums will provide local feedback to the Board and evaluation of service delivery.

Medical staff appointments

One of the major challenges of the past year has been the recruitment and retention of General Practitioners. St. Arnaud Medical Practice welcomed Dr Shashi Gupta in August 2007. In June 2008 Dr Gupta resigned to return to Melbourne. Now, the Principal of the practice, Dr Darko Slipcevic, has secured a senior Registrar position to begin

from August 2008 and the Registrar will have sufficient seniority to be credentialed by EWHS for inpatient care and on call responsibilities.

Dr Daniel Owa commenced practice in Birchip in November 2007. Dr Owa and his family relocated from



Dr Owa and family in Birchip

PHOTO COURTESY BULOKE TIMES

Western Australia. Dr Owa undertook his initial training in Nigeria. We thank Anna Pickering RN (Div1) for her promotion of Birchip during the time she worked in WA which led to initial interest from GPs, and to Tina Wilde of the West Vic Division of General Practice for her assistance to EWHS and to Dr Owa in transition

arrangements. We sincerely thank Board member Peter Ferrier and wife Sue for their personal assistance to the Owa family during the time they were considering a Birchip move.

We welcomed Dr Oleg Rachinsky, and his family, who joined the Donald Medical Practice in February 2008. Dr Rachinsky undertook his medical degree in Russia and rotational hospital placements in Central and West Gippsland, Victoria. We appreciate the efforts of Dr Tanya Rodinov and Practice Manager Nat Rodinov in encouraging Dr Rachinsky to Donald.

EWHS puts a great deal of effort and emphasis on its reputation to work in harmony with its Visiting Medical Practitioners and to provide an attractive, supportive environment. To this end, the Board has approved an innovative proposal and has developed a business plan to recruit a salaried locum GP to provide 'holiday relief' to our doctors. The Medical Staff Group unanimously supported the proposal at its meeting held in June 2008 and the Board has approved final details to facilitate recruitment of a salaried doctor in the new financial year.

In November 2007, visiting surgeon Mr Clem Smith announced his retirement, and visiting anaesthetist Dr Neil Provis-Vincent advised he would not continue to provide a service to St. Arnaud. Both Mr Smith and Dr Provis-Vincent have given many years of service to Donald and St. Arnaud surgical units and the Board records its appreciation to both of them.

Clinical issues and other developments

BGA Architects have called tenders for a new Dialysis Unit of three chairs in Donald. It will be situated in the former Operating Theatre area and will enhance our capacity to meet a growing demand from local clients for dialysis services. Unfortunately, a serious shortage of available RN Div 1 nurses in Donald restricts the use of current and proposed facilities. This is continually monitored for opportunities to train or recruit nurses skilled in haemodialysis.

Bendigo Radiology Group (BRG) has installed a computerised on-line reporting system that has led to faster reporting to doctors and improved quality of x-ray and ultrasound images. EWHS has entered into a formal contract with BRG that ensures long-term radiology service to our communities at St. Arnaud Campus. BRG also offer a daily service in Warracknabeal.

During 2007, Birchip Campus developed an effective contingency plan for the two months the campus was without a doctor. This involved an outpatient triage assessment system by nursing staff, closure of the acute ward and extensive community communication. We record our appreciation to Dr Ken Mulligan who provided a half day each week for a clinic and consultation to Birchip campus during this period. What was learned was valuable, in a less than ideal situation that could reoccur given the shortage of General Practitioners Australia-wide. The community of Birchip is to be commended for its patience and cooperation with the Birchip Campus during this period.

In August 2007, Kara Court Nursing Home experienced a serious gastroenteritis outbreak that was of a virulent strain. The staff and Health Service were commended on its reporting procedures to authorities and infection control and barrier nursing procedures during this challenging time. Viral outbreaks such as this can and do occur, not due to any shortfalls in the infection control standards in place; however, they do test training and processes. The staff's handling of the outbreak was diligent and professional under the guidance of Infection Control Coordinator, Kerry Addlem.

In September 2007, EWHS volunteered to participate in a Risk Framework Quality Review by our government insurer – VMIA. Overall the service rated well and we received suggestions for the ongoing improvement to our risk management culture and processes across the Health Service.

EWHS participated in a Business Performance Project, the purpose of which was to improve financial and management performance in residential aged care. Information for residents and claiming procedures with the Australian Government has led to significant improvements and retrospective claims. Additionally, staff has worked vigilantly to implement a new Aged Care Funding Instrument – ACFI, and at the same time learn a new Clinical and Aged Care Management System – iCare. This has been one of the most significant change management programs staff has dealt with and all are to be congratulated on a smooth transition.

A significant training program for our Registered Nurses Division 1 was the Remote Area Nurse(RAN) Emergency Care Upskilling Project. The RAN guidelines have been welcomed by our nursing staff because of its structured, systematic, clinical approach to emergency situations, which assists nurse decision making particularly when no doctor is present.

EWHS and DHS formed a working party to develop a Code Brown Emergency Plan. The plan guides actions during a major external incident, which may involve motor vehicles, or bushfires. This manual is a model that could be adapted to apply to any small rural health service.

EWHS constantly updates its emergency procedures and staff training. Two bomb threats to our Wycheproof Campus during 2008 required the complete evacuation of residents and patients on each occasion. Victoria Police

a word from the board

Officers congratulated the staff on their preparedness and procedures during these stressful events.

Karalinga Nursing Home and Charlton Hostel were audited by the Aged Care Standards and Accreditation Agency on 17 & 18 June 2008. This is a comprehensive process and the Board congratulates Campus Manager Una Round and Nurse Unit Manager Debbie Hobbs for their work preparing for the survey and to all staff at Charlton Campus who contributed to the pending result. It is anticipated that the facilities will be reaccredited for a further three years.

Primary Care Social Worker, Jean Bray, has undertaken professional development – Advanced Cognitive Behaviour Therapy, Couples Counselling – through Relationships Australia, and training in the delivery of the Mental Health First Aid Course. This will provide community access to a greater range of therapeutic counselling services through EWHS Primary Care, Social Work Department. Mrs Bray's training in Mental Health First Aid will facilitate the delivery of community education in maintaining mental health, particularly in relation to the impact of the drought.

Financial results

The audited financial report and financial overview show an operating loss of \$54,000 and a nett loss after accounting for capital purpose income, depreciation and specific items of \$937,000.

The Enterprise Bargaining Agreement (EBA) for nurses was welcomed in further recognising and rewarding our nursing team and involved retrospective payments. EWHS calculates that there is a funding shortfall of \$114,000 from the Department of Human Services to fund the EBA. The Board records its concerns that, as a small rural health service, it does not have the financial capacity to absorb mandated salary increases without full compensation.

The Board also records its concerns that government mandated *HealthSmart* information technology programs, that must be introduced by EWHS over the next 12 to 18 months, will offer little additional perceived benefit over existing systems. We have calculated significant cost impacts of over \$200,000 per annum and without additional funding this will place a significant burden on the Health Service. These financial impositions will potentially impede our strategic plan to redirect funds into primary health care and will place us in an ongoing deficit situation.

The Board has approved eight staffing positions since 2003 that had been critical to the operations of the Health Service and to meet compliance and regulatory requirements. The estimated cost of these appointments is \$630,000 per annum, and increased revenues from inpatient fees have largely covered these costs to date. DHS was approached to fund some of these appointments, which were strongly recommended in a staffing review in 2004, without success. The increasing cost pressures and the funding model for Small Rural Health Services urgently need a state-wide review.

Over \$480,000 of DHS grants are being used for a range of important projects including: the relocation and expansion of the renal dialysis unit at Donald, relocation of the nurse's station, floor covering replacement and fire stairway upgrade at St. Arnaud; and works to Wirim Lodge Nursing Home, and doctor's surgery relocation in Birchip. An additional \$160,000 has been received to complete significant Country Fire Authority mandated fire equipment and water storage capacity upgrades across all sites.

Other important projects funded by DHS were a Water Audit \$17,500, an Energy Audit \$23,000, and the Hand Hygiene project \$36,000. We record our appreciation to DHS for grants to assist in our delivery of safe practice.

The Board purchased a residential property out of capital funds for a doctor's residence in Donald and sold a business property in Charlton, formerly the Medical Practice.

Board of Management

Casual vacancies were advertised following the resignations of Stu Sampson and Caroline Amirtharajah. After a lengthy delay the Governor in Council appointed Bryan Small and Lynda Rumbold as members of the Board until 30 June 2010.

Board members Joan Postlethwaite and Ken Round terms expired on 30 June 2008; both have been reappointed for a further term. Terms for Angela Liston, Victoria Radford, Leo Tellefson and Nola Wright will expire on 31 October 2008. All have sought reappointment.

Peter Ferrier resigned from the Board in March 2008. He was a long serving member of the Board having served on the original EWHS Board in 1999 and the former Birchip Bush Nursing Hospital Board for the nine years prior to amalgamation. His contribution to EWHS is

a word from the board

particularly significant and together with his wife, Sue Ferrier, they have given much of their personal time to Birchchip Campus.

Peter Cummins resigned from the Board in March 2008, after nine years of service. He was a member of the Wycheproof & District Health Service Board for six years and served as the President from 1997 until amalgamation with EWHS in 1999. Mr Cummins held the office of EWHS Vice President on two occasions and represented Wycheproof on the Board Executive Committee and Finance Audit & Physical Resources Committee since 1999. He served as the Chairperson of the Quality Assurance & Clinical Review Committee for four years and Chairperson of the Medical Credentialing & Advisory Committee from its formation in March 2003 until December 2006.

Each of these two Board members brought to the Board table their extensive experience and worked tirelessly during the early amalgamation years. Accordingly there is an unprecedented level of new board appointments pending and we are confident that those who continue on the Board will provide ongoing strength in its governance responsibilities.

Human Resources

We welcome Dr Robert Grogan as Consultant Director of Medical Services following his engagement by Stawell Regional Health, on behalf of the Grampians Health Alliance, of which EWHS is a member. The Grampians Health Alliance comprises East Grampians Health Service, Stawell Regional Health, East Wimmera Health Service, and Beaufort Skipton Health Service. Dr Grogan has extensive metropolitan experience and is enjoying working in rural health.

We record our appreciation to Dr Webb as Chair of the Medical Staff Group and our Visiting Medical Officers for their clinical and professional input into EWHS.

A diverse range of subcommittees, some of which are Board Committees, perform a major role in the continuous improvement cycle and custodianship of the health service. Board members, management, clinical and operational staff, and doctors all work together in a collaborative and harmonious environment that makes EWHS such a remarkably enthusiastic organisation committed to providing all levels of expert health care to its clients.

During the past year we have congratulated and bid farewell to many long serving staff members. We note our appreciation for their contributions.



RAN Emergency Education participants

PHOTO COURTESY TIMES ENSIGN

We sincerely thank our campus Friends of EWHS groups, foundations, volunteers, and all staff, for their continued commitment and contributions. The local media, our parliamentarians and Department of Human Services all play important roles in ensuring the continued success of our Health Service.

Future outlook

After years of reviews – with some uncertainties along the way since amalgamation in 1999 – the Board of Management is encouraged to step into its next decade with the direction articulated in its Strategic Plan, and looks forward to 2009 with optimism. The changes foreshadowed are significant. We trust plans can be progressed both in organisational terms and in infrastructure considerations, given the age and poor state of some of the health facilities we have under our responsibility on behalf of the state government.

Ken Round
President
EWHS Board of Management

Robert Bulmer
Chief Executive Officer