# National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan

Period 2 Performance Report

Steering Committee for the Review of Government Service Provision

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Mr Paul McClintock AO Chairman COAG Reform Council Level 24, 6 O'Connell Street SYDNEY NSW 2000

Dear Mr McClintock

In accordance with the request from the COAG Reform Council, I am pleased to submit to you the Steering Committee's report for period 2 of the *National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan*.

This report has been prepared in accordance with the requirements outlined in the COAG Reform Council's *Matrix of performance information: National Partnership Agreement on Elective Surgery Waiting List Reduction Plan*, 10 August 2010.

This report was produced with the assistance of Australian, State and Territory Government health departments. The Steering Committee would like to record its appreciation for the efforts of all those involved in the development of this report.

Yours sincerely

Gary Banks AO

Chairman

30 September 2010

### This Report

The Steering Committee for the Review of Government Service Provision was requested by the COAG Reform Council (CRC) to collate information relevant to the performance benchmarks associated with reward payments in the *National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan*.

The CRC requested the Steering Committee to provide information in accordance with the CRC's *Matrix of performance information: National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan*, 10 August 2010.

To facilitate the CRC's work, this report contains the following information:

- background and roles and responsibilities of various parties in National Partnership Agreement performance reporting
- performance reporting requirements for the National Partnership Agreement on Elective Surgery Waiting List Reduction Plan
- · indicator specification and summary of data quality
- · performance data.

The original data quality statement submitted by the data provider is also included in this report.

# **Steering Committee**

This Report was produced under the direction of the Steering Committee for the Review of Government Service Provision (SCRGSP). The Steering Committee comprises the following current members:

Mr Gary Banks AO	Chairman	Productivity Commission
Mr Ron Perry	Aust. Govt.	Department of Prime Minister and Cabinet
Ms Sue Vroombout	Aust. Govt.	The Treasury
Mr David de Carvalho	Aust. Govt.	Department of Finance and Deregulation
Ms Liz Develin	NSW	Department of Premier and Cabinet
Mr Kevin Cosgriff	NSW	Department of Treasury
Ms Katy Haire	Vic	Department of the Premier and Cabinet
Mr Tony Bates	Vic	Department of Treasury and Finance
Ms Amanda Scanlon	Qld	Department of the Premier and Cabinet
Mr John O'Connell	Qld	Department of Treasury
Ms Lyn Genoni	WA	Department of the Premier and Cabinet
Mr David Christmas	WA	Department of Treasury and Finance
Ms Chris Christensen	SA	Department of the Premier and Cabinet
Mr David Reynolds	SA	Department of Treasury and Finance
Ms Rebekah Burton	Tas	Department of Premier and Cabinet
Ms Pam Davoren	ACT	Chief Minister's Department
Ms Jenny Coccetti	NT	Department of the Chief Minister
Mr Tony Stubbin	NT	NT Treasury
Mr Trevor Sutton		Australian Bureau of Statistics
Dr Penny Allbon		Australian Institute of Health and Welfare

People who also served on the Steering Committee during the production of this Report include:

Mr John Ignatius Aust. Govt. Department of Finance and Administration

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# National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan performance reporting

#### **About this report**

#### **Background to National Partnership reporting**

In November 2008, the Council of Australian Governments (COAG) endorsed a new Intergovernmental Agreement on Federal Financial Relations (IGA) (COAG 2009a). The Ministerial Council for Federal Financial Relations (MCFFR) has general oversight of the operations of the IGA (COAG 2009b, para. A4(a)).

The IGA establishes a new form of payment — National Partnership (NP) payments — to fund specific projects and to facilitate and/or reward state and territories that deliver on nationally significant reforms.

The IGA specifies that the Commonwealth can provide the following NP payments:

- project payments to the States and Territories to deliver specific projects where they support national objectives
- facilitation payments in advance of the implementation of reform, in recognition of the costs of undertaking the reform
- incentives payments to provide a reward to jurisdictions that deliver agreed reform progress or continuous improvement (COAG 2009b, para. E19(a)–(c)).

The agreements underpinning each NP incentive payment are required to set out the milestones and performance benchmarks that must be achieved for each jurisdiction to be eligible for an incentive payment (COAG 2009b, para. C20).

The IGA also included six National Agreements (NAs), which contain the objectives and outcomes for each sector, and clarify the respective roles and

responsibilities of the Commonwealth and the states and territories in the delivery of services. Five of the NAs are associated with a national Specific Purpose Payment (SPP) that can provide funding to the states and territories for the sector covered by the NA.

#### National Partnership reporting roles and responsibilities

Role of the COAG Reform Council

The IGA (COAG 2009b) states that:

The [CRC] will be the independent assessor of whether pre-determined milestones and performance benchmarks have been achieved before an incentive payment to reward nationally significant reforms or service delivery improvements under a National Partnership reward payment is made. [para. C19]

In order to assist the CRC discharge this function, the IGA provides that 'the CRC may draw on existing subject experts or commission technical experts when an assessment of performance is required.' [para. C21]

The IGA also provides for the parties to the NP to be consulted for a month before the CRC makes its assessment on the incentive payments. [para. C22]

#### Role of the Steering Committee

The Steering Committee has three areas of potential involvement with NP reporting:

- as part of its NA role, providing information on NPs to the CRC to the extent that they support the objectives in NAs (COAG 2009b, para C5(c))
- as a result of direct reference to the Steering Committee in a NP or federal financial relations documents
- to support the CRC in its role assessing and reporting on NPs with reward funding (COAG 2009b, para C19).

In July 2010, the CRC requested the Steering Committee to collate the performance information for the remaining two periods of the *National Partnership Agreement* on the Elective Surgery Waiting List Reduction Plan (COAG 2009c) (the Commonwealth Department of Health and Ageing (DoHA) collated data for the period 1 report).

# The National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan

The objectives of the Elective Surgery NP are:

- an efficient and effective public hospital system that is able to adapt to the pressures of rising health costs and increasing demand
- improved health outcomes and patient experience and satisfaction
- integration between the hospital system and other health services
- targeting of services
- smooth patient transitions between health settings through assessment, referral and follow up at key points through out the healthcare system (COAG 2009c, para 10).

The Elective Surgery NP is intended to contribute to the outcome: 'a reduction in the number of Australians waiting longer than clinically recommended times for elective surgery by improving efficiency and capacity in public hospitals' (COAG 2009c, para 11).

#### Performance reporting

Under the Elective Surgery NP, the CRC is required to prepare three assessment reports — one for each reporting period. For the first report, data collation was undertaken by DoHA. For the second and third reports, the CRC has requested the Steering Committee to collate the required information. As the NP provides for the 'rolling over' of performance results between periods (COAG 2009c, para A9), the Steering Committee has also collated period 1 performance data for Tasmania for assessment in period 2 (see data quality statement for further details).

The CRC has requested the Steering Committee to collate performance information for the indicators associated with reward payments for the Elective Surgery NP, and provide it to the CRC within one month of receiving data from the data provider. The performance benchmarks associated with reward payments are:

- 1. Increasing the volume of elective surgery admissions to meet individual jurisdiction targets
- 2. Increasing the cost weighted volume of elective surgery admissions above the targets specified under Part 1
- 3. Improving elective surgery waiting list management to achieve the following outcomes:

- (a) a reduction in the number of patients ready for care who have waited longer than clinically recommended
- (b) maintain or improve the median and 90<sup>th</sup> percentile
- (c) maintain or improve the percentage of patients seen within the clinically recommended time by urgency category.

The CRC has prepared a set of documents that establish NP processes and scope.

- A Matrix of Performance Information (performance matrix) is prepared for each NP, setting out the CRC's overview of the NP, relevant elements of the assessment and reporting framework, and the measures of improvement and performance benchmarks (CRC unpublished (a)).
- The National Partnerships with Reward Funding: Assessment Framework (assessment framework) sets out process and timeframes for all reward NPs (CRC unpublished (b)).

The Elective Surgery NP has three reporting periods illustrated in table 1 (COAG 2009c, para 19).

Table 1 Reporting periods under Elective Surgery NP

	From	То
Period 1	1 July 2009	31 December 2009
Period 2	1 January 2010	30 June 2010
Period 3	1 July 2010	31 December 2010

Data for this report are in respect of period 2 (1 January 2010 to 30 June 2010), for the performance benchmark under part 1: increasing the volume of elective surgery admission to meet individual jurisdiction targets. Results are presented in table 2.

Data for performance benchmarks associated with parts 2 and 3 will be provided for all periods at the end of period 3.

This report also contains comments by the Steering Committee on the quality of reported data (box 2), based on the data quality statement completed by the data provider. The original data quality statement is also attached.

#### Timetable — inclusion of late data

For this cycle of reporting, the timeframes set out in the August 2010 version of the CRC's assessment framework (CRC unpublished (b)) specify that:

• Jurisdictions to provide data to DoHA by 31 July 2010

- DoHA to provide data to Steering Committee by 31 August 2010
- Steering Committee to provide report to the CRC by 30 September 2010.

DoHA received data from all jurisdictions (except Victoria), completed its data checking process and provided these data to the Steering Committee on 31 August 2010. Victoria subsequently provided data to DoHA on 3 September 2010. Following consultations, the Chairman of the Steering Committee agreed to include the data from Victoria on the basis that the 30 September deadline could still be met for provision of the Steering Committee's report to the CRC, and the quality of the report to the CRC would not be affected.

# Part 1 performance benchmark — Increasing the volume of elective surgery admissions to meet individual jurisdiction targets

Performance benchmark:

Increasing the volume of elective surgery admissions to meet individual

jurisdiction targets

Measure: The number of elective surgery admissions

• numerator — the number of elective surgery admissions

and is presented as a *number* 

Only includes patients removed from waiting lists where:

1. reason for removal from elective surgery waiting list is: admitted as elective patient for awaited procedure in this hospital or another hospital

2. date of removal from elective surgery waiting list is within data reference period (see 'Data reference period' below)

Data source: States and territories (unpublished) Elective Surgery Waiting List Reduction

Plan data collection

Data provider: Commonwealth Department of Health and Ageing (on behalf of State and

Territory health departments)

Data reference

period:

1 January 2010 to 30 June 2010 (period 2)

Cross tabulations:

State and Territory

## Box 1 Interpreting the results for Part 1 performance benchmark (period 2)

Results for this performance benchmark are provided in table 2.

These results are based on data provided by DoHA (table A.1). Two sets of data were provided by DoHA — one set based on unit record data from each jurisdiction's Elective Surgery Waiting List Reduction Plan data collection that has been checked using DoHA's validation tool, and a second set based on aggregated admissions data provided directly by each jurisdiction. For this report, the two sets of data provided different results for Victoria, Queensland, SA and Tasmania.

(Continued next page)

#### Box 1 (continued)

The CRC requested that, where multiple sets of results are provided, the Steering Committee recommend a single set for CRC analysis.

The NP includes potentially contradictory directions on data:

- ...States and Territories will use the best available data at the time to complete their report.' [para 18]
- ...The performance measures will be calculated from unit level data provided by States and Territories for the Elective Surgery Waiting List Reduction Plan.' [para B.11]

The Steering Committee has applied the NP directions in the following manner:

 unit record level data have been utilised, unless the Steering Committee considers that better (higher quality) data are available within the NP reporting timetable (the NP states that '...States and Territories will submit data within one month of the end of each quarter.') [para B.11]

For those jurisdictions where the two sets of data provided different results, the Steering Committee liaised with the relevant jurisdictions (and DOHA on any technical issues) to determine which of the two sets of data (or what combination of data from the two sets) provided the best available estimate of the performance measures, and recommended a single set for CRC assessment. The approach taken to recommending a single set of results for each jurisdiction is summarised in box 2, together with general information on the quality of the data.

Table 2 Results for Part 1 performance benchmark (period 2): Number of elective surgery admissions<sup>a</sup>

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Aust
Target for period 2b	101 873	68 872	62 205	36 074	21 957	14 315	4 864	2 793	312 953
Elective surgery admissions for period 2 <sup>c</sup>	102 850	74 596	63 180	37 374	25 173	16 581	4 953	2 986	327 693

a For information on results presented in this table see box 2.
 b Includes period 1 rollover for Tasmania.
 c Includes period 1 performance for Tasmania.

Source: States and territories (unpublished) Elective Surgery Waiting List Reduction Plan data collection.

#### Box 2 Comment on data quality

The DQS for this indicator has been prepared by DoHA and is included in its original form in the section in this report titled 'Data Quality Statement'. Key points from the DQS are summarised below.

- The data provide relevant information on the number of elective surgery admissions for public hospitals, in accordance with the indicator specifications in the Elective Surgery Waiting List Reduction Plan — Data Request Specifications and Edits (DoHA unpublished).
- Data were available in the CRC's reporting timeframe for all jurisdictions except Victoria. Data for Victoria are included in this report, but were provided to DoHA and the Steering Committee outside the specified timeframes.
- Two sets of data were provided to the Steering Committee by DoHA: a unit record count checked by DoHA, using validation software to check against indicator specifications; and an aggregated count provided by jurisdictions to DoHA. Where these figures provide different results for a particular jurisdiction, this is primarily due to the unit record data not including some in-scope hospitals that are included in the aggregate count.
- Jurisdictions report counts of elective surgery admissions on their respective health department websites, but these counts may differ to those provided for this benchmark.

The two sets of data for this report provided different results for Victoria, Queensland, SA and Tasmania. The CRC has requested the Steering Committee to provide a single figure for each jurisdiction. The Steering Committee followed the approach outlined in box 1 and determined the following:

- Elective surgery admissions for Victoria for period 2 are based on the checked unit record count of 68 882 (which excludes admissions from Southern Health for 1 April 2010 to 30 June 2010) plus aggregate counts for Southern Health public hospitals for 1 April 2010 to 30 June 2010 (5714)
- Elective surgery admissions for Queensland for period 2 are based on the checked unit record count (56 381) plus additional unit record admissions for Surgery Connect (2029) and aggregate throughput from the Mater Brisbane Hospitals (4770) which equates to the aggregate count provided by Queensland
- Elective surgery admissions for SA for period 2 are based on the checked unit record count 21 535 (which excludes country hospitals) plus aggregate country hospitals data available in the reporting timeframe (3638 covering the period 1 Jan 2010 to 31 March 2010)
- Elective surgery admissions for Tasmania for periods 1 and 2 are based on the unit record checked count of 16 581. The difference between the aggregate and unit record data is the result of data matching issues incurred through the introduction of a new Patient Administration System in Tasmania's public hospitals.

Table A.1 Elective surgery volume admissions

	NSW	Vic (a)	Qld (b)	WA	SA (c)	Tas (d), (e)	ACT	NT	Aust
Target rolled over from period 1	•••					7 107			
Target for period 2 (includes period 1 roll overs)	101 873	68 872	62 205	36 074	21 957	14 315	4 864	2 793	312 953
Performance rolled over from period 1						8 504			
Performance reported for period 2 (includes period	1 roll overs)								
Admissions reported by jurisdictions									
(aggregate)	102 850	74 720	63 180	37 374	25 346	16 746	4 953	2 986	328 155
Checked (unit level) (f)	102 850	68 882	56 381	37 374	21 535	16 581	4 953	2 986	311 542
Variations between aggregate and checked	_	5 838	6 799	_	3 811	165	_	_	16 613

Period 1 = 1 July 2009 to 31 December 2009; Period 2 = 1 January 2010 to 30 June 2010.

- (a) Victoria "admissions reported by jurisidictions" includes hospitals unable to provide unit record data due to an upgrade of patient management software. The checked unit record data does not include admissions from Southern Health for the period 1 April 2010 to 30 June 2010.
- (b) Queensland "admissions reported by jurisidictions" includes additional activity funded by additional State and Commonwealth funding for Surgery Connect, and throughput from the Mater Brisbane Hospitals which were not reported in the quarterly extract as patient level data were not available.
- (c) South Australian "admissions reported by jurisidictions" includes metropolitan and country hospitals for the period 1 January 2010 to 31 March 2010 and metropolitan hospitals only for the period 1 April 2010 to 30 June 2010. The checked unit record data includes metropolitan hospitals only.
- (d) Tasmania did not provide data in time for the period 1 assessment conducted by the CRC. Period 1 procedures are rolled into period 2. Tasmanian data therefore includes both period 1 and period 2 admissions.
- (e) The difference between the aggregate and unit record data is the result of data matching issues incurred through the introduction of a new Patient Administration System in Tasmania's public hospitals.
- (f) Checked' data refers to the final unit record data provided by DoHA. These data have been through the DoHA validation tool to ensure each data item within each record passes every edit rule specified in the data specifications. However, not all hospitals in all jurisdictions are able to provide unit record data (see comment on data quality for further detail).
  - Nil. .. Not applicable.

Source: States and Territories (unpublished) Elective Surgery Waiting List Reduction Plan data collection.

### **Data Quality Statement**

This section includes the DQS for the Elective Surgery NP performance benchmark as provided by the data provider. <u>The Steering Committee has not made any amendments to the content of this DQS.</u>

### Table 3 **Data quality statement**

Performance benchmark	Page no. in this report
I. Increasing the volume of elective surgery admissions to meet individual jurisdiction targets	11

# Data quality statement — Part 1 performance benchmark: Increasing the volume of elective surgery admissions to meet individual jurisdiction targets

### Performance benchmark

Number of elective surgery admissions (number)

### Measure (computation)

"Admissions derived from unit record data (checked)"

Include only patients removed from waiting list where:

(1) reason for removal from elective surgery waiting list is 1 (admitted as elective patient for awaited procedure in this hospital or another hospital). METeOR: 269959

(2) date of removal from elective surgery waiting list is within specified timeframe (Period 1: 1 July 2009 to 31 December 2009. Period 2: 1 January 2010 to 30 June 2010. Period 3: 1 July 2010 to 31 December 2010). METeOR: 270082

Count of elective surgery admissions refers to count of records satisfying these two inclusion rules.

"Admissions reported by jurisdictions"

Supplied as aggregate data by jurisdiction. Uses the same computation as defined under "Admissions derived from unit record data (checked)" however, may include additional records not available in the unit record data.

#### Data source/s

"Admissions derived from unit record data (checked)" – unit record quarterly files supplied by State and Territory Health departments.

"Admissions reported by jurisdictions" – aggregate data supplied by State and Territory Health departments within Australian Health Minister's Conference (AHMC) performance indicator 1 calculators.

### Institutional environment

Data supplied to the Department of Health and Ageing by State/Territory Health Departments in accordance with the Communiqué from the 14 January 2008 meeting of Treasurers and Health Ministers.

Data should be provided to Health departments from hospitals in unit record format.

#### Relevance

The number of elective surgery admissions can be accurately derived from the unit record data.

#### **Timeliness**

There is a one month lag between the end of a quarter and the supply of unit record data to the Department of Health and Ageing.

Quarterly unit record data is re-supplied five months after the end of the

quarter to enable the linking of waiting list admission records with admitted patient care records. The re-supplied data may result in a different count of elective surgery admissions than was observed in the original data supply.

#### **Accuracy**

The data is checked using the Department of Health and Ageing's validation software to ensure each data item within each record passes every edit rule specified in the data specifications. Data is only reported when no critical errors are observed.

The main issue with data supplies is the absence of unit record data from in-scope hospitals. This primarily affects Victoria, Queensland and South Australia in which case, the number of elective surgery admissions reported by the state (i.e. "Admissions reported by jurisdictions") differs to the number calculated from the unit record data (i.e. "Admissions derived from unit record data (checked)".

Data can be subject to revisions, as the quarterly data is supplied on two occasions, however counts of elective surgery admissions usually match between the two submissions or involve only small differences. The resupply of quarterly data is required for performance indicator reporting to the Australian Health Minister's Conference, namely indicators 6 (Number and percentage of elective surgical episodes with one or more adverse events) and 7 (Number and percentage of unplanned readmissions within 28 days of discharge from hospital following an episode of elective surgery).

#### Coherence

The definition of the two data items required to calculate elective surgery admissions (i.e. date of removal and reason for removal from waiting list) have remained stable over time.

#### Interpretability

The unit record data are not publicly available.

State and Territory health departments report counts of elective surgery admissions on their respective internet sites however reporting periods may vary between jurisdictions and may also differ to the reporting periods specified under this performance benchmark.

#### Accessibility

The unit record data is easy to interpret and utilise.

Only three out of the twenty-one data items comprising the Reduction Plan data specifications, are not defined in the Metadata Online Registry (METeOR). Detailed metadata is publicly available online, in METeOR, for the remaining twenty-one data items, including for the two data items required for computation of the number of elective surgery admissions.

#### References

- COAG (Council of Australian Governments) 2009a, *COAG Communiqué 30 April* 2009, www.coag.gov.au/coag\_meeting\_outcomes/2009-04-30/docs/20090430 \_communique.pdf (accessed 12 April 2010).
- 2009b, *Intergovernmental Agreement on Federal Financial Relations*, http://www.federalfinancialrelations.gov.au/content/intergovernmental\_agreements.aspx (accessed 1 September 2010).
- —— 2009c, National Partnership Agreement on the Elective Surgery Waiting List Reduction Plan, http://www.federalfinancialrelations.gov.au/content/national\_partnership\_agreements/health/elective\_surgery\_waiting\_lists/elective\_surgery\_waiting\_list\_reduction\_plan.pdf (accessed 1 September 2010).
- CRC (COAG Reform Council) unpublished (a), *Matrix of performance information: National Partnership Agreement on Elective Surgery Waiting List Reduction Plan*, 10 August 2010.
- unpublished (b), National Partnerships with reward funding: Assessment framework, August 2010.

### **Acronyms and abbreviations**

ACT Australian Capital Territory

Aust Australia

COAG Council of Australian Governments

CRC COAG Reform Council

DoHA Commonwealth Department of Health and Ageing

DQS Data quality statement

IGA Intergovernmental Agreement on Federal Financial Relations

MCFFR Ministerial Council for Federal Financial Relations

NA National Agreement

NP National Partnership Agreement

NSW New South Wales

NT Northern Territory

Qld Queensland

SA South Australia

SPP Specific Purpose Payment

Tas Tasmania

Vic Victoria

WA Western Australia