

NATIONAL HEALTH PERFORMANCE AUTHORITY

Agency resources and planned performance

National Health Performance Authority

Health and Ageing Portfolio Agency

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Section 1: Agency Overview and Resources

1.1 Strategic Direction Statement

The Commonwealth, states and territories, through the 2011 National Health Reform Agreement, agreed to work in partnership to introduce a wide ranging series of structural reforms to the health system aimed at improving health outcomes for all Australians and ensuring the long-term sustainability of the Australian health system. These reforms include the introduction of independent monitoring and reporting of the performance of important elements of the Australian health care system.

The National Health Performance Authority (Performance Authority) will prepare high quality, locally relevant and nationally consistent reports on the performance of Local Hospital Networks, public hospitals, private hospitals, primary health care organisations, and other bodies or organisations that provide health care services. This transparent public reporting across a range of performance standards and indicators at a local level will increase accountability and drive continuous improvement in delivery of these health care services.

The Performance Authority is established under the *National Health Reform Act 2011* and is a prescribed agency under the *Financial Management and Accountability Act 1997*. In meeting its statutory obligations to report on health system performance, the Performance Authority will operate independently of both the Commonwealth and state and territory governments. The costs associated with the establishment and ongoing operations of the Performance Authority will be borne by the Commonwealth.

1.2 Agency Resources

Agency resourcing for the Performance Authority is captured under the Department of Health and Ageing, Outcome 13, Program 13.3.

1.3 Budget Measures

Section 1.3 is not applicable to the Performance Authority in 2012-13.

Section 2: Outcomes and Planned Performance

2.1 Outcomes and Performance Information

Outcome 1 – Contribute to transparent and accountable health care services in Australia, including through the provision of independent performance monitoring and reporting; the formulation of performance indicators; and conducting and evaluating research

Outcome Strategy

The Performance Authority's principal role is to analyse and report local level health system performance information to support greater transparency, accountability and continuous improvement in the delivery of health services in Australia. There is considerable international evidence that demonstrates the publication of performance data stimulates improved health service performance.¹

The Performance Authority's work will be guided by the Performance and Accountability Framework which contains measures of safety and quality, access and efficiency and financial performance.

The effectiveness of the Performance Authority's activities will depend on developing and obtaining a sound evidence base and a reliable supply of high quality data. The Performance Authority will work with its government and non-government partners to formulate performance indicators, and to develop rolling data plans that set out the Performance Authority's immediate and mid-term reporting intentions and associated data requirements. In doing so, the Performance Authority will be mindful of the reporting burden on health services and seek to utilise existing data collections wherever possible.

In undertaking its work, the Performance Authority will engage and collaborate with governments and non-government organisations, health care organisations, researchers, the private health sectors, and the community and consumer representatives.

Performance Authority Budgeted Expenses and Resources

Expenses for the Performance Authority are captured under the Department of Health and Ageing, Outcome 13, Program 13.3.

¹ Bureau of Health information, 2010, *Public reporting improves healthcare*. Sydney (NSW); and Smith P.C., Mossialos E. and Papanicolas I., 2008, *Performance measurement for health system improvement: experiences, challenges and prospects*, WHO: Denmark.

Program 1.1: National Health Performance Authority

Program Objectives

Undertake planning

The Performance Authority will prepare a strategic plan by October 2012, outlining the strategies and policies that will guide activities over the next three years. It will also prepare a data plan for approval by the Standing Council on Health.

An independent review of the Performance Authority will commence by October 2012, which is no later than twelve months after statutory establishment as prescribed under section 109A of the *National Health Reform Act 2011*.

Monitor and report on health system performance

In 2012-13, following approval of its data plan by the Standing Council on Health, the Performance Authority will begin publishing *Hospital Performance Reports* on Local Hospital Networks and the public and private hospitals within them, and *Healthy Communities Reports* on Medicare Locals.

The *Hospital Performance Reports* will focus initially on performance measures in the Performance and Accountability Framework for which a reliable data supply is already available. The Performance Authority will work with jurisdictions and the private hospital sector on targeted improvement of data supply, identification of poor and high performance, and sharing of innovative and effective practices.

The *Healthy Communities Reports* will include reporting on primary health care services and outcomes in the local community and region of each Medicare Local, including local demography and health status, local services and health outcomes.

Program 1.1: Deliverables

Table 2.1.2: Qualitative Deliverables for Program 1.1

Qualitative Deliverables	2012-13 Reference Point or Target
Undertake planning	
Prepare a strategic plan that covers a three-year period, as well as a data plan to support that work	Plans prepared in consultation with key stakeholders and agreed by Health Ministers
Monitor and report on health system performance	
Monitor and prepare reports on Local Hospital Networks, public hospitals, private hospitals, primary health care organisations and other bodies or organisations that provide health care services	Publication of <i>Hospital Performance Reports</i> and <i>Healthy Communities Reports</i>

Program 1.1: Key Performance Indicators

Table 2.1.3: Qualitative Key Performance Indicators for Program 1.1

Qualitative Indicator	2012-13 Reference Point or Target
Undertake planning	
The Performance Authority contributes to transparent and accountable health services in Australia	Findings of the review show that the Performance Authority is meeting its goals and objectives
Monitor and report on health system performance	
The public will have access to locally relevant, nationally consistent information about the performance of health care organisations, as well as the context of care in local communities	Establish and track usage of the Performance Authority's website to support community access to reports on the performance of the health system
Health care provider stakeholders will be aware of the statutory policies and organisational practices used by the Performance Authority to report publicly, including the identification of variation on measures it reports	Stakeholders are aware of information on the Performance Authority's statutory policies, organisational practices and health care organisational performance on reported measures

Section 3: Explanatory Tables and Budgeted Financial Statements

The s32 transfer of funding to the National Health Performance Authority under the *Financial Management and Accountability Act 1997* is yet to occur. Funding is currently appropriated through the Department of Health and Ageing, Outcome 13, Program 13.3.