



To: Minister Hunt

Subject: COMMUNITY HEALTH AND HOSPITALS PROGRAM - NSW
BILATERAL PROJECT AGREEMENT

Recommendation/s:

- | | |
|--|---|
| <p>1. Agree to provide the Project Agreement at Attachment A to the New South Wales Government for several projects to be funded through the Community Health and Hospitals Program.</p> <p>2. Sign the letter to the New South Wales Minister for Health, the Hon Brad Hazzard MP at <u>Attachment B</u>.</p> | <p>1. Agreed/Not agreed/Please discuss</p> <p>2. Signed/Not signed/Please discuss</p> |
|--|---|

Minister Hunt

Date:

8.4.19

Comments:

Contact Officer:	Anne-marie Boxall	Assistant Secretary, Long-term Health Reform Branch	Ph: (02) 6289 5668 s22
Clearance Officer:	Caroline Edwards	Deputy Secretary, Health Systems Policy and Primary Care	Ph: (02) 62891235 s22

Issues:

1. A bilateral Project Agreement with the New South Wales Government has been prepared to give effect to funding commitments for five projects through the Community Health and Hospitals Program (CHHP) (**Attachment A**).
2. You received approval from the Prime Minister on 28 February 2019 to provide \$3.85 million in 2018-19 for a linear accelerator machine for the New South Wales Central Coast Cancer Centre, to meet increased demand for services and prevent patients from going on a waiting list.
3. On 18 March 2019, the Treasurer and Minister for Finance sought approval from the Prime Minister for the following projects:

- \$2.2 million in 2018-19 towards the introduction of new maternity services at Concord Hospital.
 - \$128.0 million over two years from 2023-24 for the redevelopment of Shellharbour Hospital.
 - \$65.0 million over three years from 2021-22 for the construction of a 16 bed inpatient Cystic Fibrosis Specialist Service unit at Westmead Hospital.
 - \$9.4 million over three years from 2018-19 to improve stroke care in regional NSW via telehealth.
4. The department received funding proposals (**Attachment C**) from the New South Wales Government for:
- the introduction of new maternity services at Concord Hospital;
 - the redevelopment of Shellharbour Hospital;
 - the construction of a Cystic Fibrosis Specialist Service unit at Westmead Hospital; and
 - improving stroke care in regional NSW via telehealth.
5. Your office provided the department with information about the linear accelerator machine project.

Background: On 12 December 2018, the Prime Minister announced the CHHP, which will provide \$1.25 billion over four years to fund projects and services in every state and territory. Activities will support patient care, while reducing pressure on community and hospital services in key areas including specialist hospital services and critical health infrastructure such as cancer treatment.

Following the Prime Minister's announcement, state and territory governments were invited on 24 December 2018 to submit expressions of interest by 1 February 2019.

Attachments:

A: Project Agreement

B: Letter to the New South Wales Minister for Health, the Hon Brad Hazzard MP.

C: New South Wales funding proposals.

Budget/Financial Implications:

The table below provides funding appropriations as agreed by the Department of Finance:

	2018– 19	2019– 20	2020– 21	2021– 22	2022– 23	2023– 24	2024– 25	Total
Linear accelerator machine	-3.85	0.0	0.0	0.0	0.0	0.0	0.0	-3.85
New maternity services at Concord Hospital	-2.2	0.0	0.0	0.0	0.0	0.0	0.0	-2.2
Shellharbour Hospital redevelopment	0.0	0.0	0.0	0.0	0.0	-48.0	-80.0	-128.0
Cystic Fibrosis Specialist Service	0.0	0.0	-1.0	-28.3	-35.7	0.0	0.0	-65.0
Improving stroke care via telehealth	-3.8	-2.8	-2.8	0.0	0.0	0.0	0.0	-9.4

The Project Agreement includes projected high level outcomes linked to milestone payments.

Relevance to Election Commitments / Budget Measures:

The CHHP is part of 2018-19 Mid-Year Economic and Fiscal Outlook (MYEFO) and 2019-20 Budget measure.

Sensitivities: The Department of Prime Minister and Cabinet and Treasury have previously outlined concerns with finalising a Project Agreement in 2018-19 for full funding amounts for large infrastructure projects to 2024-25. Their preferred approach was for Project Agreements to be established during 2019-20. This would allow more detailed milestones to be developed, however would not provide the same level of certainty to the NSW government.

The department has undertaken a basic value for money assessment, and drafted the Project Agreement, based on the available high level information provided in NSW's proposals at **Attachment C** and information provided by your office only. The department will seek to establish more robust funding milestones and mechanisms to ensure appropriate reporting and achievement of key performance indicators as the project progresses.

As at 5 April 2019, the projects relating to the introduction of new maternity services at Concord Hospital, the redevelopment of Shellharbour Hospital, and construction of a Cystic Fibrosis Specialist Service unit at Westmead Hospital, have not yet been publically announced.

Consultations: Budget Branch, Treasury and the Department of Prime Minister and Cabinet.

Regulatory Burden Implications and/or Deregulation Opportunities:

Not relevant.

Communication/Media Activities: N/A

State/Territory Engagement: The New South Wales Ministry of Health has not yet been consulted on the draft Project Agreement.

Impact on Rural and Regional Australians: Projects in this Agreement will benefit residents across New South Wales, including those in rural and regional areas.

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BY THE DEPARTMENT OF HEALTH

PROJECT AGREEMENT FOR THE COMMUNITY HEALTH AND HOSPITALS PROGRAM NEW SOUTH WALES INITIATIVES

An agreement between

- the Commonwealth of Australia; and
- the State of New South Wales.

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BY THE DEPARTMENT OF HEALTH

The output of this project will support the delivery of the New South Wales Initiatives under the Community Health and Hospitals Program.

Project Agreement for the Community Health and Hospitals Program New South Wales Initiatives

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. This Agreement will support the delivery of the New South Wales Community Health and Hospitals Program Initiatives

Reporting Arrangements

3. New South Wales will report against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$208.453 million, exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and New South Wales.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and New South Wales sign it and will expire on 30 June 2025 or on completion of the project, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUT(S)

Output(s)

8. The outputs of this Agreement will be:

- (a) Construction of new Maternity Services at Concord Hospital.
- (b) Shellharbour Hospital Redevelopment to deliver the expansion needs and finalise the full transition to a planned hub-and-spoke model of service delivery in the Illawarra.
- (c) Construction of a 16 bed inpatient Cystic Fibrosis Specialist Service unit at Westmead Hospital. Providing specialised treatment with state of the art equipment and modalities, consultation rooms, clinical research and diagnostic facilities.
- (d) Improving stroke care in regional NSW via telehealth through a state-wide 1300 number will be set up for regional hospitals across NSW to access the expertise neurologists/stroke physicians.
- (e) To purchase a third Linear Accelerator for the Central Coast.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

9. The Commonwealth will be responsible for:

- (a) monitoring and assessing achievement against milestones in the delivery of the New South Wales Initiatives under the Community Health and Hospitals Program under this Agreement to ensure that outputs are delivered within the agreed timeframe;
- (b) providing a consequent financial contribution to New South Wales to support the implementation of this Agreement;
- (c) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited under the Australian Government Building and Construction Work Health and Safety (WHS) Accreditation Scheme is contracted; and
- (d) ensuring that compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

Role of the New South Wales Government

10. The New South Wales Government will be responsible for:

- (a) all aspects of delivering on the project outputs set out in this Agreement;
- (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
- (c) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and

- (d) ensuring that compliance with the Building Code 2016 is made a condition of tender for and performance of building work by all contractors and subcontractors, and providing the necessary assurances to the Commonwealth.
- 11. New South Wales will also be responsible for ensuring that, for the purposes of practical completion, construction projects will:
 - (a) be complete and free from defects or omissions, except for defects or omissions that are minor in nature, that New South Wales cannot reasonably fix, or by fixing, will significantly inconvenience users of the works;
 - (b) not cause any legal or physical impediment to the use and occupation of the property and the works for the designated use; and
 - (c) be fit for the designated use.

Shared roles

- 12. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

- 13. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

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Output	Performance milestones or benchmarks	Report due	Payment
Concord Hospital Maternity Services	Confirmation report detailing: (a) Planning and practical completion dates; (b) evidence of compliance with the Australian Government Building and Construction WHS Accreditation Scheme; and (c) evidence of compliance with the Building Code 2016.	30 May 2019	\$2,200,000
Shellharbour Hospital Redevelopment	Contract awarded and building approvals issued.	30 May 2024	\$48,000,000
	Commencement of the works.	30 May 2025	\$80,000,000
Cystic Fibrosis Specialist Service unit at Westmead Hospital	Contract awarded and building approvals issued.	30 May 2022	\$1,000,000
	Commencement of the works.	30 May 2023	\$28,300,000
	Construction complete and certificate of occupancy issued.	30 May 2024	\$35,700,000
Improving stroke care in regional NSW via telehealth	Confirmation report detailing: (a) Planning and practical completion dates; (b) evidence of compliance with the Australian Government Building and Construction WHS Accreditation Scheme; and (c) evidence of compliance with the Building Code 2016.	30 May 2019	\$3,800,000
	Commencement of the works.	30 May 2020	\$2,800,000
	Construction complete and certificate of occupancy issued.	30 May 2021	\$2,800,000
Central Coast Linear Accelerator	Purchase of a Linear Accelerator	30 May 2019	\$3,853,000

14. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

15. New South Wales will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description and photographs of actual performance in the period to date against the project milestones.
16. New South Wales will provide bi-annual project status reports with photographs in May and November each year via the Commonwealth Department of Health's Capital Works Portal system in accordance with the template at Schedule A, until the completion of the projects.
17. New South Wales will provide a final report including a brief description of the project and official opening dates, and a Certificate of Practical Completion for each project which can be used for public information and dissemination purposes. This will include a description of the conduct, benefits and outcomes of the project.

PART 5 – FINANCIAL ARRANGEMENTS

18. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$208.453 million in respect of this Agreement. All payments are GST exclusive.
19. The Commonwealth's funding contribution will not be reduced where the States secure funding from other activity partners.
20. The Commonwealth's estimated financial contributions to the operation of this Agreement, including through National Partnership payments paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2018- 19	2019- 20	2020- 21	2021- 22	2022- 23	2023- 24	2024- 25	Total
Estimated total budget	9.853	2.8	2.8	1.0	28.3	83.7	80.0	208.453
Less estimated National Partnership Payments	9.853	2.8	2.8	1.0	28.3	83.7	80.0	208.453

21. Having regard to the agreed estimated costs of projects specified in this Agreement, New South Wales will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, New South Wales bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the New South Wales Government to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

22. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

23. The Agreement may be amended at any time by agreement in writing by both Parties.
24. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

25. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

26. Either Party may give notice to the other Party of a dispute under this Agreement.
27. Officials of both Parties will attempt to resolve any dispute in the first instance.
28. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

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The Parties have confirmed their commitment to this agreement as follows:

Signed for and on behalf of the Commonwealth
of Australia by



The Honourable Greg Hunt MP

Minister for Health

Date 28-4-19

Signed for and on behalf of the
State of New South Wales by

The Honourable Brad Hazzard MP

Minister for Health

Date _____

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Schedule A

Project Status Report:

Report Month:

Submission Date:

Current Forecast Completion Date:

Current Project Stage:

Key Activity Undertaken Since Last Report:

Significant Achievements In Next 6 Months:

Project Status

Schedule: Green, Amber, Red

Cost: Green, Amber, Red

Compliance: Green, Amber, Red

Scope: Green, Amber, Red

Slippage Comments:

Corrective Action Taken:

Risk: Green, Amber, Red

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The Hon Greg Hunt MP
Minister for Health

The Hon Brad Hazzard MP
Minister for Health,
Minister for Medical Research
GPO Box 5341
SYDNEY NSW 2001

Ref No: MS19-000728

Dear Minister 

I am writing to formalise the arrangements regarding the Commonwealth's commitment to the following measures in New South Wales under the Community Health and Hospitals Program:

- \$3.85 million in 2018-19 for a linear accelerator machine for the New South Wales Central Coast Cancer Centre, to meet increased demand for services and prevent patients from going on a waiting list;
- \$2.2 million in 2018-19 towards the introduction of new maternity services at Concord Hospital;
- \$128 million over two years from 2023-24 for the redevelopment of Shellharbour Hospital;
- \$65 million over three years from 2021-22 for the construction of a 16 bed inpatient Cystic Fibrosis Specialist Service unit at Westmead Hospital; and
- \$9.4 million over three years from 2018-19 to improve stroke care in regional New South Wales via telehealth.

I have attached a Project Agreement for your signature, setting out the terms and conditions for \$208.45 million to be provided from 2018-19 to 2024-25. To enable the Commonwealth to make this payment under the *Federal Financial Relations Act 2009*, please sign and return the agreement to me, indicating your acceptance of these terms and conditions.

To promote transparency and our commitment to the Intergovernmental Agreement on Federal Financial Relations, I intend to make the Project Agreement publicly available on the Council on Federal Financial Relations website.

I have copied this letter to the Prime Minister, the Hon Scott Morrison MP, and the Treasurer, the Hon Josh Frydenberg MP.

Yours sincerely



Greg Hunt

Encl (1)

cc: The Hon Scott Morrison MP, Prime Minister
The Hon Josh Frydenburg MP, Treasurer

COMMUNITY HEALTH AND HOSPITALS PROGRAM EXPRESSIONS OF INTEREST

Project title Shellharbour Hospital	
State/territory and contact details <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p style="text-align: center;">NSW</p> <p>s22</p> <p>A/Executive Director Health System Planning and Investment NSW Ministry of Health</p> <p>s22</p> </div> <div style="width: 45%;"> <p>s22</p> <p>Director Policy and Funding Reform Government Relations Branch NSW Ministry of Health</p> <p>s22</p> </div> </div>	
Key program areas Specialist hospital services	
Project description <p>The NSW Government has committed \$250.6 million towards the redevelopment of Shellharbour Hospital on its existing site.</p> <p>An additional investment by the Commonwealth of \$250 million will deliver the remaining expansion needs and finalise the full transition to the planned hub-and-spoke model of service delivery in the Illawarra. The contribution will enable the planned consolidation of inpatient subacute services with acute medical wards and expansion of ambulatory care services consistent with master planning for Shellharbour Hospital.</p>	
Target population(s) <p>The population of the local catchment is approximately 89,924 (2016) comprising Local Government areas of Kiama and Shellharbour. Shellharbour Hospital will need to accommodate both a growing and ageing population, which total population is projected to increase by more than 24% (approximately 21,826) people by 2031.</p> <p>In this local catchment, approximately one in five people are aged 0-14 years and one in five people are 65 years and over and more than 3.4 per cent of the population identify as Aboriginal or Torres Strait Islander. Residents of the District are considered more disadvantaged than the NSW population according to the SEIFA ranking.</p> <p>The risk factors for chronic disease are most prevalent amongst the lower socioeconomic areas. Shoalhaven, Shellharbour and Wollongong Local Government Areas compare unfavourably to the NSW average in terms of socioeconomic indicators. The Aboriginal community also have disproportionately high levels of chronic disease and related risk factors.</p>	
Rationale <p>The NSW commitment of \$250.6 million will partially address the Shellharbour Hospital needs but will not fully address the role of Shellharbour in delivering future health service needs of creating a more integrated health service system for the Illawarra Shoalhaven Local Health District.</p>	

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Shellharbour Hospital will need to develop into the role of acute and sub-acute service hub for the Southern Illawarra community. As demand for non-admitted patient services continuing to rise driven by the ageing population and burden of chronic disease, this will require expansion of its current service profile to a regional 'hub' hospital by improving access to multidisciplinary assessment and care, ambulatory and primary health care services including hospital avoidance strategies, and ambulatory clinical support services including diagnostics.

High hospitalisation rates for ambulatory care sensitive conditions also indicate difficulties in accessing prevention, screening and early disease management services in the District.

The redeveloped facility will also serve to reduce the pressure on Wollongong Hospital to service the Southern Illawarra population, improve access and equity of service provisions across the District.

Shellharbour Hospital building is currently still functional, however, the existing main infrastructure is approaching 30 years of age and in need of a substantial upgrade its functional configuration to contemporary standards for future service provision and to avoid higher infrastructure costs.

Buildings housing inpatient services on the Port Kembla Hospital site are not fit for purpose and are at the end of their useful cycle and ideally should be consolidated to Shellharbour Hospital.

Subacute services at Coledale, Port Kembla and Kiama are dispersed and isolated from acute services at Shellharbour Hospital and patient outcomes will be enhanced if sub-acute services can be consolidated at Shellharbour Hospital.

Key activities

Currently, Shellharbour Hospital provides Emergency Medical, Medical (including Acute Aged Care), Surgical, Renal Dialysis, Mental Health and Outpatient services. Subacute inpatient services are currently provided at Shellharbour Private Hospital while appropriate facilities are planned and delivered at Shellharbour Public Hospital.

Shellharbour Hospital provides a range of Non-admitted patient services on site. This includes Antenatal Clinics, specialist outpatient clinics, Aboriginal Maternal Infant Health Services (AMIHS) and a range of Outpatient Allied Health services. The development of a new Ambulatory Care Centre in 2015 provided increased capacity for some of these services to be delivered on site. Further development of the Ambulatory Care capacity is required to complement the projected increase in acute and subacute inpatient services, and to enable contemporary models of care that extend beyond hospital wards.

As part of a statewide rollout in community based palliative care packages, the District is partnering with a private provider (Silver Chain) to respond to the gap in community palliative care capacity highlighted by research into patient preferences for increased choice to die at home.

Measures

The Shellharbour Hospital Redevelopment project is considered to meet all of the requirements for funding and will:

- Demonstrate high health benefits and effective use of resources;
- Efficiently address infrastructure needs and Improve functionality within the facility
- Achieve the established standards in implementation and management.



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<ul style="list-style-type: none">• Enable Shellharbour Hospital to fulfil its role as a health service spoke site for ISLHD by meeting more of the demand for non-tertiary care for residents in the catchment area;• Integrate subacute with acute care services for optimal outcomes;• Provide post-acute care for patients who require extended care following treatment at Wollongong Hospital;• Enhance ambulatory/ outpatient care to manage increasing demand for services as the population ages• Improve connectivity and integration between inpatient, outpatient, community, GP and specialist services which will positively impact on patient experience and health outcomes
Timeline 2019-20 to 2021-22
Budget Total contribution sought: \$250 million 2019-20 - \$5 million (infrastructure planning) 2020-21 - \$140 million 2021-22 - \$105 million

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COMMUNITY HEALTH AND HOSPITALS PROGRAM EXPRESSIONS OF INTEREST

Project title Cystic Fibrosis Specialist Service Unit (CFSSU) at Westmead Hospital	
State/territory and contact details <div style="text-align: center;">NSW</div> <div style="display: flex; justify-content: space-between;"><div><p>s22</p><p>A/Executive Director Health System Planning and Investment NSW Ministry of Health</p><p>s22</p></div><div><p>s22</p><p>Director Policy and Funding Reform Government Relations Branch NSW Ministry of Health</p><p>s22</p></div></div>	
Key program areas <ul style="list-style-type: none">Specialist hospital services and hospital infrastructurePreventive, primary and chronic disease management	
Project description <p>Australia's first dedicated Cystic Fibrosis Specialist Service (CFSSU) at Westmead Hospital will be the anchor facility of the Westmead Health and Education Precinct. It is estimated to cost \$65 million, and is currently unfunded.</p> <p>The 16 bed inpatient unit will provide specialised treatment with state of the art equipment and modalities. In addition, the unit will integrate admitted services with ambulatory care and research, incorporating consultation rooms, clinical research and diagnostic facilities.</p>	
Target population(s) <p>The Westmead CFSS will manage adult patients from across NSW who have been diagnosed with CF including those who have been referred for diagnosis. Most patients transition to the service from one of the three NSW paediatric CFSSs or from other existing adult CFSSs within NSW or other states. The service supports and educates adults with CF as well as family and carers, including partners and children.</p>	
Rationale <p>Cystic Fibrosis, the most common lethal inherited disease in Australia, is caused by defects in the Cystic Fibrosis Transmembrane Conductance Regulator (CFTR) gene, with a carrier frequency of 1 in 25, and disease incidence of approximately 1 in 2,500. People with CF have a significant incidence of developing comorbidities including CF related diabetes, vascular complications, drug toxicity, depression, anxiety, cancer, arthritis and organ failure. For a significant proportion of people with CF, their disease will progress to severe lung disease, with respiratory failure being the major cause of death.</p> <p>Management of CF has become more complex with a growing need for care to be provided for all aspects of the disease. New therapies and interventions are being developed for respiratory, bowel, endocrine (diabetes) and bone (osteoporosis) disease. These are likely to further increase the complexity of care in adult specialist services.</p> <p>The Westmead CF service is one of three adult specialist services for CF in NSW. Adult services are also provided at Royal Prince Alfred Hospital, Camperdown and John Hunter</p>	

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Hospital in Newcastle. In addition, there are smaller satellite services at Gosford Hospital, Central Coast and a newly established service in Canberra, ACT. There are three paediatric specialist CF services in NSW provided at The Children's Hospital at Westmead, the Sydney Children's Hospital, Randwick and John Hunter Children's Hospital, Newcastle, along with a satellite service in Canberra, ACT.

Over the last 30 years, survival has increased dramatically in Australia through better management via multi-disciplinary specialised services that provide holistic care, and the advent of new treatments. The rapid increase in survival in recent decades has resulted in an increase in demand for services especially in the adult health care system. According to Australian CF Data Registry, the number of adults with CF in Australia has increased by 1000 people in 15 years.

The Westmead CF service has steadily expanded over the last 20 years from an initial 26 patients up to 190 patients in 2017. Growth in the number of Westmead CF patients is projected to continue at 10-12 patients per year over the next 10 years. This projection is based on the Children's Hospital at Westmead CF service currently having approximately 200 patients, most of whom will transition to the Westmead CFSS in adolescence. If the Westmead CF service continues to grow by 10 patients each year, as it has for the last 10 years, it will have over 300 patients by 2026. This projection may be an underestimate, as the impact of new treatments such as CFTR modulators, will likely improve health outcomes and increase survival, with patients needing increasingly complex care.

The lack of availability of single rooms and a dedicated CFSS unit is a critical problem for the Westmead CFSS. Patients with CF are at risk of both acquiring and transmitting respiratory infections. Respiratory infections are more significant in patients with CF than the general population and can adversely affect lung function and if not resolved, increase morbidity and mortality. Given that CF is a complex multi-system disease, patients require highly specialised services from multiple disciplines. Facilities required at Westmead to support multidisciplinary and contemporary models of care include the establishment of a dedicated 16 bed CFSS inpatient unit with:

- Facilities that support infection prevention and control including single rooms and negative pressure rooms in the inpatient areas
- Collocated outpatient clinic rooms and spaces for planned and unplanned reviews and access to care and interventions including rapid review assessments, day stay admissions and physiotherapy treatment areas.

People with CF require planned and unplanned access to care and interventions. The Westmead CFSS model of care shows a high level of alignment with the ideals of the Agency for Clinical Innovation CF Model of Care. The Westmead CFSS model will include a focus on multidisciplinary team care, intensive therapy, outpatient reviews, shared care and patient self-management. This aims to maintain optimal health across the lifespan for each patient and reduce rates of unplanned hospitalisation. Alternatives to patient presentation to the emergency department will be provided whenever possible.

Service delivery will include CFSS rapid access clinics (for unplanned reviews), planned outpatient and inpatient care, specialist advice and support for care in community settings, and specialist care provided to emergency department presentations.

Key activities

The CFSSU will be located in a refurbished area at Westmead Hospital. The project will encompass two stages:

Stage 1: Relocation of services currently located within the future CFSSU zone to the Westmead Hospital Central Acute Service Building (CASB).

Stage 2: CFSSU fit-out works.



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Measures

- Reduced unplanned admissions to hospital
- Reduced emergency department presentations
- Reduced hospital acquired infections
- Patient reported measures to acute interventions

Timeline

Stage 1:

- Design from Feb 2019 (7 months)
- Construction commencement August 2019 (12 months)
- Fit-out works completed and commissioned in line with the new CASB completion and opening (forecast 2020)

Stage 2:

- Design from March 2020 (8 months)
- Construction commencement November 2020 (12 months)
- CFFSU completed and commissioned November/December 2021

Budget

2018/19	2019/20	2020/21	2021/22	TOTAL
\$1.5 million	\$21.5 million	\$27.5 million	\$14.5 million	\$65 million

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COMMUNITY HEALTH AND HOSPITALS PROGRAM EXPRESSIONS OF INTEREST

Project title Concord Hospital Maternity Services	
State/territory and contact details <div><div>s22 A/Executive Director Health System Planning and Investment NSW Ministry of Health</div><div>s22 Director Policy and Funding Reform Government Relations Branch NSW Ministry of Health</div></div> <div><div>s22</div><div>s22</div></div>	
Key program areas <ul style="list-style-type: none">Specialist hospital services	
Project description <p>\$2.24 million towards the introduction of new maternity services at Concord Hospital, NSW.</p> <p>Concord Hospital Redevelopment Stage 1 of \$341 million is now underway and is scheduled for completion in late 2021. This project addresses the infrastructure for acute and subacute Aged Care and Rehabilitation, supports an integrated Cancer Centre and establishes the National Centre for Veterans Healthcare. Stage 1 also provides upgrades to services infrastructure and enables the campus masterplan to be developed for future stages.</p> <p>The 2014 Concord Hospital Clinical Service Plan and Sydney Local Health District Asset Strategic Plan have identified that the clinical priorities to be delivered in a second stage of the redevelopment will provide a new acute services building to replace the current main clinical services building. A master planned Stage 2 will encompass a new ED, ICU, operating theatres, imaging, catheter laboratories and an additional 110 medical and surgical beds. Concord Hospital has not yet received funding for the planning of the Stage 2 of the Redevelopment.</p>	
Target population(s) <p>The local government areas of Burwood, Strathfield and Canada Bay surrounding Concord Hospital experienced an average population growth rate of 12.8 per cent between 2011 and 2016, which is projected to increase by another 33 per cent from 2016 to 2031 placing increased pressure on the hospital.</p>	
Rationale <p>Given the population increase, particularly young families, within the Concord area, access to obstetrics, gynaecology and paediatrics is essential within Stage 2 redevelopment.</p>	
Key activities <p>Introduction of new maternity services at Concord Hospital.</p>	

4 January 2019 – Long-term Health Reform Branch



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Measures
Meet increasing demand for maternity services for the local catchment population.
Timeline
The construction and commissioning timeline has not been finalised and will be dependent on planning approvals following funding being secured.
Budget
\$2.24 million

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BY THE DEPARTMENT OF HEALTH



COMMUNITY HEALTH AND HOSPITALS PROGRAM EXPRESSIONS OF INTEREST

Project title Improving stroke care in regional NSW through telehealth	
State/territory and contact details <div style="text-align: center;">NSW</div> <div style="display: flex; justify-content: space-between;"><div><p>s22</p><p>A/Executive Director Health System Planning and Investment NSW Ministry of Health</p><p>s22</p></div><div><p>s22</p><p>Director Policy and Funding Reform Government Relations Branch NSW Ministry of Health</p><p>s22</p></div></div>	
Key program areas Specialist hospital services such as cancer treatment, rural health and hospital infrastructure	
Project description <p>This project will establish a centralised service for stroke telehealth in NSW. A statewide 1300 number will be set up for regional hospitals across NSW to access the expertise of neurologists/stroke physicians. The 1300 number will be staffed by a roster of neurologists/stroke physicians who will use telehealth technology to remotely access a stroke patient's medical images and conduct a remote consultation to determine a treatment plan. If acute stroke is diagnosed, the treatment plan may include thrombolysis or referral to a metropolitan centre for endovascular clot retrieval (ECR).</p> <p>Thrombolysis and ECR, known collectively as reperfusion therapies, are breakthrough medical interventions for acute stroke that dramatically decrease the risk of death or long term disability after a stroke. Reperfusion therapies are time-critical because 'time is brain', meaning that brain cells are irreversibly damaged every minute the brain is deprived of oxygen during an acute ischaemic stroke.</p> <p>The main activities for this project include:</p> <ul style="list-style-type: none">• Equipping regional hospitals with the appropriate infrastructure, equipment and workforce to support the service• Training NSW neurologists/stroke physicians to be able to participate in the service• Establishing a 'base' site including: governance structure, administration, systems for sharing clinical documentation across sites, data collection for monitoring and evaluation and employing the neurologists/stroke physicians• Conducting a staged roll out of the service across NSW• Evaluation of the project. <p>The expected outcome of this project is to increase the number of patients who access the benefits of thrombolysis and ECR. In turn, this will improve patient outcomes and decrease the burden of death and disability from acute stroke in regional NSW.</p> <p>This project will expand on a current pilot project in the mid-north coast of NSW that has demonstrated the benefit of stroke telehealth in increasing access to best-practice care for</p>	



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regional stroke patients. This project will transform the mid-north coast pilot into a centralised statewide service.

Target population(s)

The target population for this project is stroke patients in regional and rural NSW. In 2017 there were approximately 6,600 patients hospitalised for ischemic stroke in NSW¹. Approximately 3,800 patients of these patients are from regional and rural NSW.

Rationale

Evidence of need to improve access to reperfusion therapies

There is clear evidence that reperfusion therapies improve patient outcomes following acute ischaemic stroke. Reperfusion rates (i.e. the number of patients who receive access to thrombolysis and/or ECR) are lower in NSW than in other Australian jurisdictions. Also, rates vary across local health districts.

The large geographic area of NSW means that it can be difficult for patients to get to a specialist stroke hospital in time to access the benefit of reperfusion therapies. The target for thrombolysis rates is 25% of acute ischaemic strokes; currently, approximately 7-11% NSW patients receive thrombolysis.²

Evidence that reperfusion therapies improve patient outcomes

Reperfusion therapies have been demonstrated to be effective in improving patient outcomes in acute stroke.

22% of patients who receive thrombolysis compared with no reperfusion therapy have excellent outcomes (i.e. they are able to live independently), and a further 22% have improved outcomes³.

For clinically appropriate patients, ECR has been demonstrated to be more effective than thrombolysis alone in reducing disability. 20% of patients who receive ECR compared with thrombolysis alone have an excellent outcome (i.e. they are able to live independently), and a further 14% have improved outcomes³.

Stroke telehealth is an effective means to increase reperfusion rates

One barrier to a patient receiving reperfusion therapies is their geographical distance from a hospital that provides 24/7 specialist stroke care. Stroke telehealth overcomes this barrier by providing remote access to specialist care to regional hospitals. This means that stroke patients can receive thrombolysis and assessment for ECR earlier.

Evidence of need for CTP

After breakthrough trials in 2018, the time window for eligibility for endovascular clot retrieval has expanded from 6 hours to up to 24 hours after symptom onset (trials include DEFUSE-3 and DAWN).

To determine whether a patient is the 6-24 hour window is eligible for ECR, an advanced type of medical imaging called CT perfusion is required. CT perfusion is used to identify whether the patient has enough salvageable brain tissue that they are likely to have a positive response to the procedure.

¹ NSW Agency for Clinical Innovation

² NSW Agency for Clinical Innovation cites 7%; Stroke Foundation cites 11%.

³ Tokunboh et al (2018), Visual aids for patient, family and physician decision making about endovascular thrombectomy for acute ischemic stroke, Stroke 49(1): 90-97



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Using CTP in this cohort of patients will reduce unnecessary or futile transfers of patients for ECR.

Adopting a centralised service for NSW means that this activity will not duplicate other programs or services

NSW Health will negotiate with districts and networks about coordinating existing efforts to set up local stroke telehealth services into the new statewide service.

Key activities

1. Equipping regional hospitals with the appropriate infrastructure, equipment and workforce to support the service
 - Purchase and/or upgrade of medical imaging equipment and software
 - Purchase and/or upgrade of equipment and software to enable a specialist to remotely view medical images, enter and share clinical documentation and enable data collection for monitoring and evaluation
 - Purchase of telehealth equipment (consoles, laptops etc.) to enable specialists to perform remote audio-visual patient consultations
 - Recruitment of a stroke coordinator at regional hospitals
 - Education and training to enable the regional hospitals to access/support the service
2. Training NSW neurologists/stroke physicians to be able to participate in the service including
 - review and interpretation of CTP scans
 - use of IT/telehealth equipment and software
 - remote consultation process
3. Setting up the service
 - Establishing a 'base' site
 - Setting up administration
 - Establishing governance structure including mechanisms for clinical review with local clinicians
 - Identifying systems for sharing clinical documentation across sites
 - Development of data systems for monitoring and evaluation
 - Recruiting, credentialing and employing the neurologists/stroke physicians
 - 6 month proof of concept building on existing pilot in the NSW mid north coast
4. Conducting a staged roll out of the service across NSW
 - Set up at each regional site will take approximately 6 months
 - The first hospitals to receive the service would be existing regional acute thrombolysis centres (approximately 7 hospitals),⁴ followed by smaller hospitals with acute stroke units/acute stroke services (up to 15 hospitals total)
 - Baseline data collection/analysis to identify the thrombolysis and ECR rates for the hospital before the service commences

Key parties

Within NSW include Local Health Districts and Specialty Health Networks, ACI Stroke Network, and the NSW branches of the Australian Salaried Medical Officers' Federation (ASMOF) and Australian Medical Association (AMA).

External to NSW include the Victorian Stroke Telemedicine service.

⁴ Regional hospitals with existing in-hours coverage by a neurologist/stroke physician could receive the service as an after-hours/weekend service only, or as a back-up service for periods of high demand.



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Measures <p>The outcomes that will be measured include:</p> <ul style="list-style-type: none">• Thrombolysis rates before and after the service commences• ECR rates before and after the service commences• Patient reported outcomes• Cost comparison of the stroke telehealth service with the standard service• Number of calls to the centralised service• Number of calls that result in an acute ischaemic stroke diagnosis versus other diagnosis (e.g. stroke mimic, haemorrhagic stroke, tumour)
Timeline <p>The project will run for 3 years.</p> <p>Stage 1 (year 1) will involve activities 1-3 above (equipping regional hospitals with the appropriate infrastructure, equipment and workforce to support the service, training NSW neurologists/stroke physicians to be able to participate in the service, and setting up the service). This includes a 6 month proof of concept of the service building on the pilot in the mid north coast of NSW.</p> <p>Stage 2 (years 2-3) will be a staged rollout of the service across NSW.</p>
Budget <p>The total budget for this project is \$9,400,000.</p> <p>Year 1 - \$3,800,000. This includes:</p> <ul style="list-style-type: none">• Purchase/upgrade of medical imaging equipment and software• Purchase/upgrade of IT equipment and software• Purchase of telehealth equipment (consoles, laptops)• Education and training at regional hospitals• Training of neurologists• Administration costs• Recruitment and credentialing costs• 6 month proof of concept in the mid north coast of NSW <p>Year 2 - \$2,800,000. This includes:</p> <ul style="list-style-type: none">• Neurologist costs• Administration staff costs• Stroke coordinator costs• Medical imaging/IT ongoing maintenance/support costs <p>Year 3 - \$2,800,000. This includes:</p> <ul style="list-style-type: none">• Neurologist costs• Admin staff costs (central)• Stroke coordinator costs• Medical imaging/IT ongoing maintenance/support costs