



Mercy Public Hospitals Inc

Annual Report 2011-12

Section 2

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How we govern ourselves

Mercy Public Hospitals Inc was established in 1986 by the Sisters of Mercy under Schedule 2 (Denominational Hospitals) of the Health Services Act 1988 (Victoria). All Mercy Public Hospitals Inc services are fully accredited by the Australian Council on Healthcare Standards (ACHS).

Our Governance Structure

The Board of Mercy Public Hospitals Inc operates as the concurrent Board of:

- Mercy Health & Aged Care Inc
- Mercy Hospice Inc
- Mercy Private Hospital Inc (*a dormant entity*)
- Bethlehem Home for the Aged Inc
- Mercy Health Service Albury Ltd
- Marianella Nursing Home Ltd
- Mercy Care Centre Young Ltd

Board and Committees

Mercy Public Hospitals Inc Board

Mr Julien O'Connell (Chairman)
Mr Maurice Bisetto
Ms Margaret Bounader
Ms Virginia Bourke
Ms Polly Caldwell
Associate Professor Michael Coote
Mr John Corcoran (commenced 5 July 2011)
Mr Gerard Dalbosco
Mr John Moore
Ms Agnes Sheehan
Sr Kathleen Tierney rsm
(completed term of office 13 March 2012)
Sr Joan Wilson rsm

The Board is supported by five committees.

Finance and Audit Committee

Mr Gerard Dalbosco (Chair)
Ms Maurice Bisetto
Mr John Corcoran
(commenced 21 October 2011)
Mr John Moore
Mr John Ries
(completed term of office 25 May 2012)

Ethics Committee

Sr Helen Monkivitch rsm AO (Chair)
Dr Frances Baker rsm
Adjunct Professor Stephen Cornelissen
Mr John Fogarty (commenced 15 May 2012)
Dr Genevieve Green
Ms Kate Hewett
Ms Mary Klasen
Fr Cormac Nagle OFM
Associate Professor Dean Stevenson
(commenced 8 November 2011)
Dr Adrian Thomas

Quality Committee

Associate Professor Michael Coote (Chair)
Ms Polly Caldwell (commenced 8 December 2011)
Mr Brian Collopy AM
Professor Margaret O'Connor AM
Mr David Parsons (commenced 4 October 2011)

Human Research Ethics Committee

Emeritus Professor Peter Carpenter
(Chair, completed term of office 6 December 2011)

Professor John Ozolins
(Chair, commenced 7 February 2012)

Ms Christine Childs

Mr Paul Drinkwater

Mr Kevin Fell

Ms Geraldine Gray

Professor Susan McDonald

Associate Professor Michael McKay

Dr Linda Mellors

Sr Helen Monkivitch rsm AO

Fr Cormac Nagle OFM

Professor Michael Permezel

Ms Susan Phillips

Professor Sue Walker

Dr Andrew Watkins

Corporate Governance Remuneration and Nomination Committee

Mr Julien O'Connell (Chair)

Ms Virginia Bourke

Mr John Moore

Executive

Chief Executive Officer

Mr Stephen Cornelissen

Chief Operating Officer

Mr John Fogarty

Executive Director Finance & Support Services

Mr Tony Goad

Executive Director People, Learning & Culture

Ms Kate McCormack

Executive Director Property & Development

Mr Renn Starcic

Executive Director Risk Management & Quality

Ms Kerry Shearer

Executive Director Leadership & Mission

Sr Helen Monkivitch rsm AO

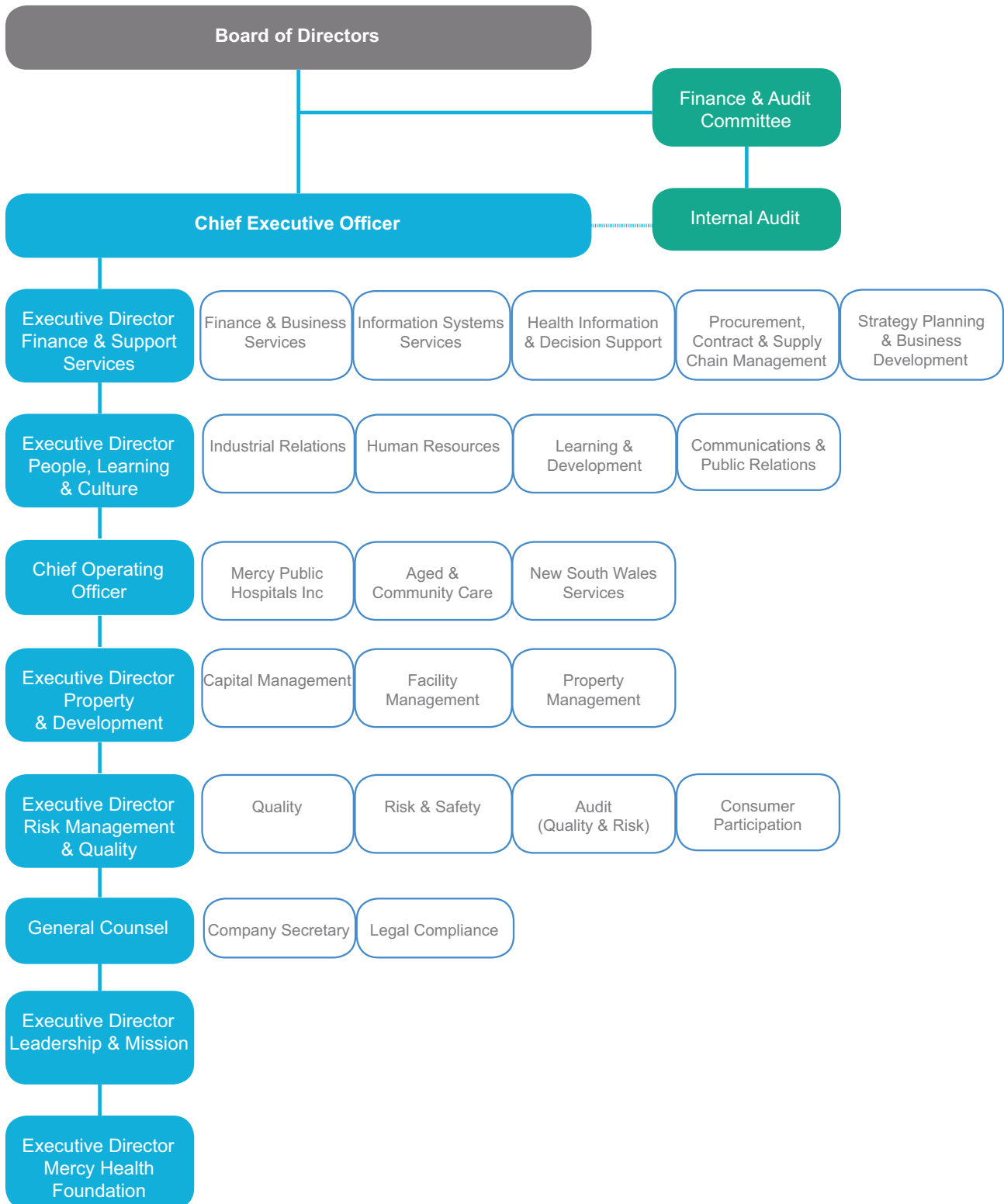
Executive Director Mercy Health Foundation

Mr Gavan Woimarski

General Counsel

Mr Simon Cooke

Organisational Structure*



*Refer governance structure, page 2

Workforce Data

	Mercy Hospital for Women		Werribee Mercy Hospital		Mercy Mental Health		Mercy Health O'Connell Family Centre	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Administrative & Clerical	96.8	96.7	55.0	53.3	14.9	14.5	2.2	1.6
Ancillary Support Services	25.9	26.7	25.5	23.5	27.3	28.2	0.6	0.4
Hospital Medical Officers	56.7	52.4	32.0	27.1	12.8	13.8	-	-
Hotel & Allied Services	62.4	62.9	57.0	53.1	6.1	6.2	1.0	0.7
Medical Officers	11.4	11.9	3.3	3.4	4.6	2.2	-	-
Medical Support Services	39.5	39.8	22.5	23.0	2.6	3.0	0.1	0.1
Nursing	487.5	446.2	287.7	275.8	119.4	112.1	21.2	23.7
Sessional Clinicians	31.2	28.2	12.0	10.9	4.9	6.3	0.1	0.2
Grand Total (Average July to June excluding over time)	811.5	764.7	494.9	470.1	192.6	186.4	25.3	26.6

	Mercy Hospital for Women		Werribee Mercy Hospital		Mercy Mental Health		Mercy Health O'Connell Family Centre	
	June 12	June 11	June 12	June 11	June 12	June 11	June 12	June 11
Administrative & Clerical	96.97	97.42	56.83	55.86	15.12	13.62	2.13	2.22
Ancillary Support Services	26.00	27.39	26.22	25.35	27.16	25.74	0.59	0.71
Hospital Medical Officers	63.44	58.37	32.85	30.70	13.37	13.57	-	-
Hotel & Allied Services	61.22	59.76	59.29	54.14	6.22	6.50	1.00	0.98
Medical Officers	11.04	12.21	3.00	3.00	5.54	2.39	-	-
Medical Support Services	37.48	38.31	23.08	23.05	2.05	3.07	0.11	0.18
Nursing	488.45	474.00	295.50	285.87	119.75	113.47	21.30	21.90
Sessional Clinicians	33.11	34.82	12.62	12.38	5.11	6.27	0.13	0.11
Grand Total (For June 2012 and June 2011 excluding over time)	817.71	802.32	509.39	490.35	194.32	184.63	25.26	26.10

Mercy Public Hospitals Inc is committed to ensuring the recruitment and selection of a highly skilled workforce through a fair, equitable and transparent process. All decisions relating to recruitment and selection are based on merit. As such, recruitment and selection decisions are based on matching the applicant's skills,

experience and qualifications to the selection criteria for the position. Mercy Public Hospitals Inc is committed to ensuring that the recruitment and selection process is consistently applied, results in the appointment of high calibre employees and satisfies equal opportunity principles and obligations.

Access Data

Mercy Hospital for Women

	Target	2011-12 Actuals
1. Elective surgery performance		
Category 1 proportion of patients admitted within 30 days	100%	100%
Category 2 proportion of patients waiting less than 90 days	80%	100%
Category 3 proportion of patients waiting less than 365 days	90%	100%
Percentage of hospital initiated postponements	8%	3%
Elective surgery waiting list as at 30 June	488	399
2. Emergency Department performance (maternity and women's health services only)	Target	2011-12 Actuals
Percentage of emergency patients admitted to an inpatient bed within 8 hours	80%	86%
Percentage of non admitted emergency patients with length of stay of less than 4 hours	80%	81%
Number of patients with length of stay in the Emergency Department greater than 24 hours	0	1
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 2 emergency patients seen within 10 minutes	80%	96%
Percentage of Triage Category 3 emergency patients seen within 30 minutes	75%	92%

Access Data

Mercy Health O'Connell Family Centre

Individuals	2011-12	2010-11
Total residential – individuals	1,096	1,093
Total day stay – individuals	1,109	1,091
Families		
Total residential (agreed performance = 500)	510	509
Total day stay (agreed performance = 500)	535	523
Residential – average length of stay (in days)	3.4	3.3
High needs families		
Percentage of families with one or more risk factors	100%	100%
Education participants		
External service providers (agreed performance = 100)	91	191
Non residential families (agreed performance = 250)	273	244
Intake		
Requests for service	2,647	2,487
Health professional calls	819	891
Intake assessment calls	1,700	1,779
Preadmission consultations	203	248
Families placed on waiting list	994	1,031
Mental health service		
Clients with mental health issues	385	319
Clients receiving psychiatric services	377	188
Mental health consultations	537	318

Access Data

Werribe Mercy Hospital

	Target	2011-12 Actuals
1. Elective surgery performance		
Category 1 proportion of patients admitted within 30 days	100%	100%
Category 2 proportion of patients waiting less than 90 days	80%	92%
Category 3 proportion of patients waiting less than 365 days	90%	97%
Percentage of hospital initiated postponements	8%	8%
Elective surgery waiting list as at 30 June	674	736
2. Emergency Department performance		
Percentage of operating time on hospital bypass	3%	14%
Percentage of emergency patients admitted to an inpatient bed within 8 hours	80%	70%
Percentage of non admitted emergency patients with length of stay of less than 4 hours	80%	70%
Number of patients with length of stay in the Emergency Department greater than 24 hours	0	314
Percentage of Triage Category 1 emergency patients seen immediately	100%	100%
Percentage of Triage Category 2 emergency patients seen within 10 minutes	80%	84%
Percentage of Triage Category 3 emergency patients seen within 30 minutes	75%	79%

Activity Data

Mercy Hospital for Women

Admitted Patients	2011-12	2010-11
Separations		
Same day	4,592	4,934
Multi day	14,612	14,262
Total separations	19,204	19,196
Emergency	1,529	1,452
Elective	3,917	3,721
Other (including maternity)	13,758	14,023
Total separations	19,204	19,196
Public separations	16,976	17,042
Hospital in the home separations	754	666
Total WIES	19,486	19,163
Public	16,109	-
Private	3,357	-
DVA	20	-
Total bed days	71,913	70,115
Non admitted Patients		
Emergency medicine attendances	15,415	15,092
Victorian Ambulatory Classification System (VACS) outpatient services – occasions of services – total	97,313	95,420
Non VACS outpatient services – occasions of services	43,363	40,668
Other services – occasions of services (DOM – Postnatal Domiciliary Care)	8,881	8,914
Aboriginal liaison service	492	870
Family and Reproductive Rights Education Program (FARREP)	697	773
Total occasions of service	166,160	161,737
VACS clinical	81,570	-
VACS allied	15,743	-

Activity Data

Werribee Mercy Hospital

Admitted Patients	2011-12				2010-11			
	Acute	Sub Acute	Mental Health	Total	Acute	Sub Acute	Mental Health	Total
Same day	14,336	11	4	14,351	14,592	0	8	14,600
Multi day	11,602	283	563	12,448	10,911	263	609	11,783
Total separations	25,938	294	567	26,799	25,503	263	617	26,383
Emergency	9,300	-	-	9,300	9,759	-	-	9,759
Elective	12,080	-	-	12,080	11,432	-	-	11,432
Other (including maternity)	4,558	-	-	4,558	4,312	-	-	4,312
Total separations	25,938	294	567	26,799	25,503	263	617	26,383
Public separations	24,240	-	-	24,240	23,873	-	-	23,873
Hospital in the home separations	293	-	-	293	281	-	-	281
Total WIES	13,206			13,206	12,708			12,708
Public	11,924			11,924				
Public renal	271			271				
Private	787			787				
DVA	215			215				
TAC	9			9				
Total bed days	53,818	4,233	12,300	70,351	51,258	4,350	11,873	67,481

Non admitted Patients

Emergency medicine attendances	34,872	-	-	34,872	37,307	-	-	-
Outpatient services – occasions of services	11,970	29,680	75,057	-	13,648	26,093	84,154	-
Other services – occasions of services (*DOM – Postnatal Domiciliary Care) (**CRC - Community Rehabilitation Centre)	*3,034	**4,475	-	-	*3,247	**5,287	-	-
Victorian Ambulatory Classification System – number of encounters	11,771	-	-	11,771	2,826	-	-	2,826
Total occasions of service	61,647	34,155	75,057	-	57,028	31,380	84,154	-

Statutory Information

Freedom of Information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Mercy Public Hospitals Inc. For the 12 months ending 30 June 2012, Mercy Public Hospitals Inc received 469 applications.

Of the applications received by Mercy Public Hospitals Inc, access was granted in full for 422, access was granted in part for two (under section 33(4) of the Act) and access was denied for one (under section 38 of the Act). A total of 44 applications were withdrawn, not proceeded with or had not been finalised at 30 June 2012. One request went to internal review and has not progressed to the appeal stage.

Making a request

Access to documents may be obtained through written request to the Freedom of Information Manager, as detailed in s17 of the *Freedom of Information Act 1982*.

In summary, the requirements for making a request are:

- The application should be made in writing
- The application should identify as clearly as possible which document is being requested
- The application should be accompanied by the appropriate application fee. The fee may be waived in certain circumstances.

Freedom of Information fact sheets and an access request form are available on the *Patient Information* page of the Mercy Health website at www.mercyhealth.com.au. Requests for documents in possession of Mercy Public Hospitals Inc should be addressed to the relevant facility/service.

Freedom of Information Officer
Mercy Hospital for Women
Health Information Services
163 Studley Road
Heidelberg Vic 3084

or by email on FOI@mercy.com.au

Freedom of Information Officer

Werribee Mercy Hospital
Health Information Services
300-310 Princes Highway
Werribee Vic 3030

or by email on wmh-his@mercy.com.au

Freedom of Information Officer

Mercy Health O'Connell Family Centre
Health Information Services
6 Mont Albert Road
Canterbury Vic 3126

or by email on vquirk@mercy.com.au

Freedom of Information Officer

Mercy Health Support Services
Level 2, 12 Shelley Street
Richmond Vic 3121

Access charges may also apply once documents have been processed and a decision on access is made, eg photocopying and search and retrieval charges.

Further information regarding Freedom of Information can be found at www.foi.gov.au.

Whistleblowers Protection Act 2001

The Whistleblowers Protection Act 2001 supports people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Mercy Public Hospitals Inc does not tolerate improper conduct by its employees nor any prejudice against those who come forward to disclose such conduct. We are committed to ensuring transparency and accountability in the administration of our services and strongly support the disclosure of information that enables the identification of corrupt conduct or conduct involving a substantial mismanagement of public resources, risk to public health and safety or the environment.

Mercy Public Hospitals Inc will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

Reporting Procedures

Disclosures of improper conduct or detrimental action by Mercy Public Hospitals Inc or its employees may be made to the following officer.

The Protected Disclosure Coordinator
Kerry Shearer
Executive Director
Risk Management & Quality
Phone: (03) 8416 7843

Alternatively, disclosures of improper conduct or detrimental action by Mercy Public Hospitals Inc or its employees may also be made directly to the Ombudsman.

The Ombudsman Victoria
Level 9, 459 Collins Street (North Tower)
Melbourne Vic 3000
Phone: (03) 9613 6222
Toll free: 1800 806 314
ombudvic@ombudsman.vic.gov.au
www.ombudsman.vic.gov.au

Further Information

Written guidelines outlining the system for reporting disclosures of improper conduct or detrimental action by Mercy Public Hospitals Inc or its employees are available for public perusal.

Disclosures under the Whistleblowers Protection Act in 2011-12

The current procedures established by Mercy Public Hospitals Inc under Part 6 of the Act are available upon request in relation to the 10 required disclosures in 2011-12.

In the 2011-12 financial year there were no public interest disclosures, no protected disclosures and no recommendations made by the Ombudsman that related to Mercy Public Hospitals Inc.

National Competition Policy

Mercy Public Hospitals Inc adheres to competitive neutrality guidelines in the contracting process and reviews existing contracts where appropriate.

The Building Act 1993

Mercy Public Hospitals Inc ensures buildings, plant and equipment that it owns are maintained in accordance with the requirements of all relevant statutory authorities. All new building works performed by or on behalf of Mercy Public Hospitals Inc comply with current requirements of the Building Code of Australia and other applicable Australian standards, statutory authorities or codes of practice.

Victorian Industry Participation Policy Act 2001

During 2011-12, no contracts that required disclosure under the Victorian Industry Participation Policy Act 2003 were started or completed.

Disclosure Requirements (FRD 10)

Mercy Public Hospitals Inc works within the Financial Reporting Directions and statutory disclosure requirements. All disclosures applicable under Australian Accounting Standards are independently audited.

Performance Snapshot

Occupational Health and Safety

Mercy Public Hospitals Inc is committed to ensuring the health, safety and welfare of its employees, patients, clients, volunteers, contractors, visitors and others who may be affected by its operations.

Occupational health and safety and return to work key performance indicators have been measured at Mercy Public Hospitals Inc facilities over the past seven years. In 2011-12 the WorkCover claims experience for Mercy Public Hospitals Inc was the lowest in four years. Both the claims cost ratio and claims frequency rate have reduced by nearly 40 per cent in the past year. The predominant injury type remains musculo-skeletal. An independent review of our manual handling program was undertaken in June 2012 and its recommendations will be incorporated into the 2012-15 Workplace Health & Safety Plan.

Risk Management

Mercy Public Hospitals Inc has an open, transparent and risk aware culture. An enterprise risk program is in place and endorsed by the Board. We recognise that effective risk management is critical to achieving the organisation's objectives and protecting the people we care for and the people we employ.

The most recent independent audit of the risk framework was rated as "very good". This means we have a comprehensive risk management framework in place that operates successfully.

Operational risk registers are maintained throughout the business with a consolidated risk report provided twice a year to the Board. In addition, the strategic risk register is monitored by the Board on an ongoing basis.

The highest rated strategic risk facing the organisation in 2011-12 pertained to the financial viability of Mercy Public Hospitals Inc. This is outlined in the Finance and Performance Report on page 14.

Chair's Attestation

Attestation for Compliance with the Australian/New Zealand Risk Management Standard – Mercy Public Hospitals Inc

I, Julien O'Connell, certify that Mercy Public Hospitals Inc has risk management processes in place consistent with the AS/NZS ISO 31000: 2009 Risk Management Principles and Guidelines, and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Board verifies this assurance and that the risk profile of Mercy Public Hospitals Inc has been critically reviewed within the last 12 months.



Julien O'Connell
Chairman
Mercy Public Hospitals Incorporated
30 June 2012

Finance and Performance Report

Mercy Public Hospitals Inc continues to face challenges in providing quality health services that can meet increasing demand. This is particularly so for Werribee Mercy Hospital which serves the Wyndham catchment as well as other outlying areas such as Melton. Both areas are among the fastest growing regions in Victoria and Australia. While there has been some investment into increasing the hospital's physical capacity, this has been largely restricted to Maternity Services with further development in areas such as critical care and high dependency services. Irrespective, where capacity is created, there is a need for correlating increases to recurrent funding to allow for the treatment of more patients. At Mercy Hospital for Women the most significant service issue has been, and continues to be, the hospital's ability to flex up its Neonatal Intensive Care Services during periods of high demand. Both of these services face these challenges within the overall requirement of operating services which continue under a framework of sustainability.

Our operating result

The financial result for 2011-12 was a net surplus before capital and specific items of \$1,406,000. This result was underpinned by equipment and infrastructure grants \$1.2M, primarily dedicated to the replacement of clinical equipment and a bequest of \$0.3M, received in support of the Special Care Nursery, also quarantined for capital purposes. Net of these revenues, effectively capital support items, the recurrent operating result was a moderate deficit of some \$0.1M.

A restructure of the management and processes for Mercy Public Hospitals Inc is currently underway targeted at consistent management and operating processes across both hospitals with a targeted improvement in services and cost efficiencies. This restructure will be implemented over the first four months of 2012-13.

Access and performance

Mercy Public Hospitals Inc, primarily due to the significant demand issues outlined above, struggles to meet certain access and performance targets. Of particular note, at Werribee Mercy Hospital, is the achievement of Emergency Department waiting time targets. Limitations in inpatient capacity, together with material demand relating to mental health patients, places severe strain on the Emergency Department's capacity to meet access targets. Limitations in availability and/or access to mental health beds in the western region continues to be a major contributor to Mercy Public Hospitals Inc to patients staying in the Emergency Department for longer than 24 hours.

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Increasing the system's financial sustainability and productivity	Ensure the ongoing financial viability of Mercy Public Hospitals Inc and implement improvement strategies	Confirm the ongoing viability of Mercy Public Hospitals Inc as a denominational provider of public hospital services	Work in progress; discussions continue with the Department of Health
		Align service provision with funding levels	Achieved for Mercy Hospital for Women, Mercy Health O'Connell Family Centre, Mercy Mental Health
		Implement cost reduction and revenue improvement activities where appropriate	Achieved for Mercy Hospital for Women, Mercy Health O'Connell Family Centre, eg agency spend reduced through increase in bank and pool staff
			Transition to staff specialist model of care in some specialties at Werribee Mercy Hospital
			Very modest increases in revenue generation, eg café lease, stalls fees
		Consolidate the internal audit framework	Internal audit framework approved by the Board and implementation commenced
	Improve reporting and management information systems	Data warehouse to improve reporting developed internally	

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Developing a system that is responsive to people's needs	Review and improve the coordination and provision of safe patient care	<p>In consultation with the Department of Health finalise a plan for and funding allocation to enable Werribee Mercy Hospital to treat higher acuity patients and provide a wider range of services</p> <p>Increase services at Werribee Mercy Hospital by developing collaborative service models with St Vincent's Public Health and Western Health</p> <p>Implementation of new models of care in palliative care and mental health which will improve coordination of patient journey and care</p>	<p>Work in progress; discussions continuing with the Department of Health</p> <p>Liaison committee with St Vincent's Public Health established; MOU in place</p> <p>Mercy Mental Health Community Model and Palliative Care Community Model enhanced through increased funding from the State Government</p> <p>Mercy Mental Health integrated community teams model implemented; teams are showing better capacity for team work to respond to client need</p> <p>Maternity model of care review commenced and due for completion in 2012-13</p>

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Implementing continuous improvements and innovations	Redesign hospital care to improve patient experience, service capacity and systems and processes	Reduce number of inappropriate referrals and improve waiting times and throughput of obstetric outpatients at Mercy Hospital for Women	Mostly achieved for Mercy Hospital for Women; new referral form agreed with Divisions of General Practice and implemented; new forms include more direction regarding information required by Mercy Hospital for Women; obstetric outpatients throughput increased; wait times have reduced but further work required
		Increase number of specialist and subspecialist gynaecology outpatient clinics at Mercy Hospital for Women	New structure commenced in August 2012; includes increased clinics at Mercy Hospital for Women
		Improve utilisation of operating theatres and Emergency Department cubicles at Werribee Mercy Hospital	Compass implemented to provide robust data to make informed decisions about available resources
		Open 10 additional renal chairs at Werribee Mercy Hospital	Completed and opened
		Complete the maternity and neonatal services capital redevelopment project at Werribee Mercy Hospital and operationalise in line with funding	Maternity capital redevelopment completed; to be officially opened in October 2012

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Expanding service, workforce and system capacity	Improve for future workforce capacity	<p>Complete research project on mature age staff funded by the Department of Health's Value Added Intervention Project</p> <p>Establishment of additional registrar positions, particularly at Werribee Mercy Hospital</p>	<p>Delivering a mature age program with \$40,000 funding from the Department of Health, including Age Management Leadership forums, Create Your Future seminars, focused on life planning and career transition, IT training, Transition to Retirement seminars, one-on-one financial planning sessions</p> <p>Mercy Health Staff Pulse Survey – Culture and Ethos completed</p> <p>One obstetric registrar will commence in 2013</p>

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Implementing continuous improvements and innovation	Build teaching, training and research capacity	Complete a feasibility review in establishing clinical academic positions in neonatology and perinatal mental health at Mercy Hospital for Women	Feasibility reviews commenced but not completed Planning for neonatology position will commence shortly
Utilising e-health and communications technology		Open an integrated multidisciplinary teaching, training and development centre at Werribee Mercy Hospital	The University of Notre Dame Medical Clinical School opened on site at Werribee Mercy Hospital in February 2012
		Implement a dedicated clinical nursing and allied health school at Werribee Mercy Hospital	Dedicated clinical nursing school in collaboration with Australian Catholic University commenced in 2012
		Implement an e-learning solution in the delivery of learning, education and development modules for all levels of staff	E-learning solution commenced for five organisational mandatory competencies including orientation, emergency procedures, diversity, manual handling and infection control (hand hygiene)

Statement of Priorities: Part A

Link to Strategic Priority	Health Service Strategy	Deliverable	Outcome
Improving every Victorian's health status and experiences	Enhance care options for Indigenous, multicultural and minority groups	<p>Increase identification of Aboriginal and Torres Strait Islanders at Mercy Hospital for Women</p> <p>Implement processes to ensure informed choice by Aboriginal and Torres Strait Islanders when choosing their model of obstetric care</p> <p>Improve clustering of outpatient appointment times for patients requiring interpreter services</p>	<p>Work practices reviewed to address this; audit by Department of Health showed Mercy Hospital for Women's identification process correctly identified all patients in audit</p> <p>Achieved for Mercy Hospital for Women</p>
Developing a system that is responsive to people's needs	Enhance community engagement processes	<p>Refresh the Mercy Health community engagement strategy</p> <p>Feedback from consumers, staff and local community to the perceptions, strengths and weaknesses of both hospitals</p> <p>Incorporate consumer feedback into service improvement, review and design initiatives</p>	<p>Appointment and orientation of the new Mercy Health Community Advisory Committee completed</p> <p>Feedback from patient and staff surveys, complaints and suggestions incorporated into service planning and redesign initiatives</p> <p>Work in progress groupwide; also completed at local level</p>

Statement of Priorities: Part B

Financial Performance		
Operating result	Target	2011-12 Actuals
Annual Operating result (\$M)	\$0M	\$1.406M
Cash management/liquidity	Target	2011-12 Actuals
Creditors	60 days	23
Debtors	60 days	57
Service Performance		
WIES activity performance	Target	2011-12 Actuals
WIES (public and private) performance to target (%)	± 2%	0.9.%
Elective Surgery	Target	2011-12 Actuals
Elective surgery admissions – quarter 1	1,536	1,671
Elective surgery admissions – quarter 2	1,569	1,376
Elective surgery admissions – quarter 3	1,445	1,389
Elective surgery admissions – quarter 4	1,665	1,496
Number of patients on the elective surgery waiting list	1,162	1,133
Critical Care	Target	2011-12 Actuals
No of days below NICU usual operating capacity and flex capacity	0	32
Quality and Safety	Target	2011-12 Actuals
Health service accreditation	Full	Full
Residential aged care accreditation	Full	Full
Cleaning standards	Achieved	Achieved
Submission of data to VICNISS (%)	Full	Full
VICNISS Infection Clinical Indicators	No outliers	No outliers
Hand Hygiene Program compliance (%)	65%	Mercy Hospital for Women: 70.1% Werribee Mercy Hospital: 67.9%
SAB rate (OBDs)	2	Mercy Hospital for Women: 0.57 Werribee Mercy Hospital: 0.00
Victorian Patient Satisfaction Monitor (VPSM)	73	Mercy Hospital for Women: 79 Werribee Mercy Hospital: 79
Maternity	Target	2011-12 Actuals
Postnatal home care	100%	92.16%
Mental Health	Target	2011-12 Actuals
28 day readmission rate (%)	14%	8.25%
Post-discharge follow-up rate (%)	75%	67%
Seclusion rate (OBDs) (per 1,000 BD)	20	17

Statement of Priorities: Part C

Activity and Funding

	2011-12	2011-12
	Target	Activity Achievement
Weighted Inlier Equivalent Separations (WIES)		
WIES Public	28,702	28,033
WIES Private	3,186	4,143
Total WIES (Public and Private)	31,888	32,176
WIES Renal	220	271
WIES DVA	184	235
WIES TAC	6	9
WIES TOTAL	32,298	32,691
Sub Acute Inpatient		
Palliative Care – Inpatient	4,107	3,974
Transition Care (non DVA) – bed day	2,190	1,750
Palliative Care – DVA	300	267
Ambulatory		
VACS – Allied Health	26,693	25,351
VACS – Variable	80,150	85,313
Transition Care (non DVA) – Homeday	1,460	711
SACS – Non DVA	5,700	6,129
SACS– DVA	65	104
Mental Health		
MH – Inpatient	12,053	12,300

Summary of Financial Results

	2012	2011	2010	2009	2008	2007
Total Revenue	234,811	217,444	200,450	186,703	176,855	162,845
Total Expense	231,445	214,455	204,638	185,888	175,696	165,115
Operating Surplus/ (Deficit)	3,366	2,989	(4,188)	815	1,159	(2,270)
Retained Surplus (Accumulated Deficit)	7,258	4,244	1,434	5,603	4,462	3,474
Total Assets	58,283	50,445	45,529	53,985	50,769	48,676
Total Liabilities	48,580	44,108	42,181	46,449	44,048	43,114
Net Assets	9,703	6,337	3,348	7,536	6,721	5,562
Total Equity	9,703	6,337	3,348	7,536	6,721	5,562

Cash Management/Liquidity

	Target	2012	2011
Creditors	60 days	23	30
Debtors	60 days	57	64

Debtors Fees Outstanding as at 30 June 2012

	under 30 days \$'000	31-60 days \$'000	61-90 days \$'000	over 90 days \$'000	Total 2012 \$'000	Total 2011 \$'000
Mercy Hospital for Women						
Private	249	301	249	495	1,294	1,130
Werribee Mercy Hospital						
Private	116	61	24	192	393	294

Analysis of Operating Revenues and Expenses

	2012 \$'000	2011 \$'000
REVENUES		
Services Supported by Health Services Agreement		
Government grants	209,259	190,504
Indirect contributions by Department of Health	1,709	4,203
Equipment and infrastructure maintenance	1,216	1,181
Patient fees	7,662	6,043
Donations and bequests	274	85
Interest	381	534
Other revenue	2,986	2,613
	223,487	205,163
Services Supported by Hospital and Community Initiatives		
Private practice fees	2,238	2,141
Research and program grants	85	10
Property income	634	489
Other revenue	2,242	2,284
	5,199	4,924
Total	228,686	210,087
EXPENSES		
Services Supported by Health Services Agreement		
Employee entitlements	160,129	150,038
Fee for service medical officers	5,828	5,847
Supplies and consumables	20,495	19,867
Other expenses	37,845	31,659
	224,297	207,411

Analysis of Operating Revenues and Expenses

	2012 \$'000	2011 \$'000
EXPENSES		
Services Supported by Hospital and Community Initiatives		
Employee entitlements	2,226	2,184
Fee for service medical officers	-	27
Supplies and consumables	58	64
Other expenses	699	611
	2,983	2,886
Total	227,280	210,297
Surplus/(Deficit) for the Year before Capital Purpose Income, Depreciation, Amortisation and Specific Revenues and Expenses	1,406	(210)
Capital purpose income	6,125	7,357
Depreciation and amortisation	(4,159)	(4,158)
Finance Costs	(6)	-
Net surplus/(Deficit)	3,366	2,989

Four consultancies were used in 2011-12 to the total value of 13,023.41.

Chair's Attestation

Attestation on Data Integrity

I, Julien O'Connell, certify that Mercy Public Hospitals Inc has put in place appropriate internal controls and processes to ensure that reported data reasonably reflects actual performance. Mercy Public Hospitals Inc has critically reviewed these controls and processes during the year.



Julien O'Connell
Chairman
Mercy Public Hospitals Incorporated
30 June 2012

Where we are located

Health services

Victoria

Mercy Hospital for Women,
Heidelberg: 03 8458 4444

Mercy Health Lymphoedema Services,
East Melbourne: 03 8458 4990

Mercy Health O'Connell Family Centre,
Canterbury: 03 8416 7600

Werribee Mercy Hospital,
Werribee: 03 9216 8888

Mercy Mental Health, Saltwater Clinic,
Footscray: 03 9928 7444

Mercy Mental Health Triage Service,
south western region of Melbourne: 1300 657 259

Mercy Palliative Care,
western region of Melbourne: 03 9364 9777

Support and administrative services

Mercy Health: 03 8416 7777

Web

mercyhealth.com.au



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