To devolve or not to devolve - that is the question
Will cover:

- Decisions made at State level
- Diversity in the scale of LHNs
- What the NHHNA requires
- Challenges
- Draft principles to guide decisions
- Sample considerations
- One perspective – Clinical Senate
- Primary Care perspective?
State Government has not yet made decisions about what will and will not be devolved.
Scale of LHNs

Average $490M budget and FTE of 3,880.
NHHNA Direction

- LHNs will:
  - Be established as separate legal entities by the State;
  - Have Governing Councils and CEOs that will make decisions locally;
  - Generally comprise small groupings of hospitals with a geographic connection;
  - Have operational responsibility for their network;
  - Directly employ staff in accordance with state-wide industrial frameworks;
  - Be accountable to the local community and Parliament for the performance of their network.
NHHNA Direction

The State’s role in purchasing from LHNs will involve identifying:

- Number and broad mix of services to be provided;
- Quality and service standards that apply to services;
- Level of funding to be provided through both activity based funding and block funding; and
- the teaching and research functions to be undertaken at the LHN level.
Individual LHN Operational Flexibility

Equity of access for all Qlders

Delivery on national and state strategic agendas

Patient Safety and Quality
Consultation Paper Draft Principles

1. LHNs responsible for inputs and processes used to achieve their outputs and outcomes
2. Transparent full cost pricing of services provided
3. Publicly defensible decisions
4. LHNs accountable to community for good clinical practice
5. Have capacity to exercise authority
Statewide Clinical Services

Considerations:
- Negative impact on patient flow or clinical care?
- Is consistency in approach necessary for patient safety across the State?
- Increase in service delivery costs? Could these be offset?
- Impact on service accessibility?
- Workforce capacity to deliver the service in all LHNs?
- Impact on State’s ability to innovate, reform, improve health outcomes and manage for the future?
- Will statewide service deliver savings on equipment and consumables? Do other benefits outweigh increased costs?
Statewide Clinical Services

- Will devolution have a negative impact on training capacity?
- related professional leadership?
- service integration?

- Will devolution pose a risk to the continuity of service provision?

- Is there a statutory obligation?

- Is there a commercially contestable alternative available?
Statewide Clinical Services

Answer to just one of these questions ≠ correct direction

Overall assessment required
Clinical Senate

- Looked at what is working well and what they didn’t want to lose
- Suggested retention of statewide coordination, support or delivery of a range of functions
Other Functions

- Clinical Support
- Corporate Services
No Decisions Made

Your thoughts?