
TITLE : **PERFORMANCE INDICATOR WORKING PARTY****DISTRIBUTION:** **ALL HEALTH SERVICES IN WESTERN AUSTRALIA**

1. Purpose

The purpose of this bulletin is to describe the aims of the Performance Indicator Working Party (PIWP) and its role in developing indicators to monitor, measure and report the performance of Health Services.

2. Background

The PIWP was established in response to advice from the Office of the Auditor General (OAG) that formal audit opinions would be given on performance indicators ('PIs') reported by Health Services in annual reports. This notice coupled with the recognition that the number of PIs previously reported were inadequate, led to the establishment of the PIWP.

It was originally intended that the Working Party primarily be a provider driven system wide vehicle for identifying appropriate Key Performance Indicators (KPIs) for Western Australian public hospitals to use in Annual Reports. The working party was to provide a reference group for the OAG and was to facilitate the process of benchmarking peer hospitals in WA, interstate and overseas.

It was recognised that there were many issues for the PIWP to consider. The abilities and limitations of information systems and their influence on the development of new indicators had to be understood. Linkages to existing and proposed Health Service and HDWA strategic plans, purchasing objectives, contract negotiations, program statements and structures had to be clear. Statewide departmental and private sector PIs needed to be recognised and considered.

In its initial stages, the Working Party sought to compare the PIs collected and reported across hospitals and to recommend a suite of PIs that could be used for annual reporting. In the following four years, the PIs were refined and a manual was produced and distributed to assist Health Services. The manual included detailed notes on methodology, suggested explanatory notes and techniques for comparing performance with similar Health Service providers.

Major changes to the structure and framework of the manual were necessary from 1st July 1997 when the HDWA introduced a new health program comprised of three intervention strategies. The strategies were the reduction of preventable disease, injury and disability and premature death; the restoration to health for those with acute illness; and the improvement of the quality of life for those with chronic illness and disability. The new health program meant

that the PIs developed from that time forward had to have a broader focus than hospital. Indicators for community health and mental health services and continuing care had to be addressed and restructured to reflect this change in emphasis.

The output based management focus of government is recognised by the working party. Further development of PIs have increasingly concentrated on output and outcome measures (rather than inputs and processes) and on reporting from a population based level. The establishment of the Metropolitan Health Service Board (MHSB) and changes to Health Service entities and boundaries have also influenced the work and recommendations of the Working Party.

3. Current Process in Developing and Refining Performance Indicators

A manual containing the entire suite of PIs is updated and distributed to Health Services each year to assist them in preparing Annual Report data. It is not necessary for all of the PIs developed to be reported by all health services. A matrix which lists the appropriate indicators to be reported by Health Service reporting entities is included in the manual. The manual also lists the time frames for the PI data to be collected and reported.

Prior to distribution to the Health Services, the manual is sent to the OAG for comment. Officers from the OAG use the manual in their annual audit of Health Services. Consultation and liaison with different officers from the OAG is seen as an important step in the process of PI development as many queries are clarified before the auditors begin to visit hospitals to verify PI data collected.

Health Services are assisted with the production of PI data for annual reports by the Health Information Centre (HIC) of the HDWA. Figures for population level PIs, for example, *Rates of screenings in children* and *service provision to Aboriginal people* are sent to nominated persons within Health Services by HIC's Epidemiology & Analytical Services Branch while DRG and Hospital Morbidity data are forwarded from the Health Statistics Branch of HIC.

The PIWP **recognised** that PIs regarding Mental Health, Aged & Continuing Care and Community Health were represented in the **previous** suite of PIs. Increased emphasis has been placed on their continued development. Similarly, **PIs have been developed within the area of Nursing Home Type Patients.**

Some of the indicators developed are appropriate for the whole of health (Statewide) reporting, some are for reporting at a health service level and it is expected that in the future there may be PIs which will be able to report on individual practitioner's level of performance. The PIWP also recognises that due to the growing number of PIs being developed each year, the challenge will increasingly be to distinguish between PIs and KPIs.

4. Membership of the PIWP

The Hospital Key Performance Indicator Working Party is now the Performance Indicator Working Party. The committee meets regularly to refine and develop a suite of indicators for Health Services. A list of Working Party Members as at 30/6/2000 is attached to this bulletin. Queries should be directed to the appropriate representative on the Working Party. For example, country hospitals should contact the rural representatives. Teaching hospital or Mental Health specific concerns should be addressed to the Teaching Hospital or Mental Health representative respectively. Queries relating to the reporting matrix should be directed to **Bronwen Scott** (Rural Matrix) and **Ian Stewart** (Metropolitan Matrix).

CURRENT MEMBERSHIP KPI WORKING PARTY

Chair of the Working Party

To be appointed

Hospital/Health Service Representatives

Mike Blake	Metropolitan Health Service Board Representative (MHSB)
Beress Brooks	Teaching Hospital Representative (Royal Perth Hospital)
Brian Davies	Teaching Hospital Representative (Sir Charles Gairdner Hospital)
Glen Leckenby	Teaching Hospital Representative (Fremantle Hospital)
Cambell Metcalfe	Teaching Hospital Representative (Royal Perth Hospital)
Ian Stewart	Metropolitan Health Services Board
Vacant	Metropolitan Non Teaching Hospital Representative

Rural Representatives

Bronwen Scott	Midwest Health Service
Jerry Burns	Eastern Wheatbelt Health Service

Community Health Representative

Patricia Duffield	Warren Blackwood Health Service
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Mental Health Representative

Warwick Smith	Rockingham Health Service
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Aged & Continuing Care Representative

Jennifer Medcalfe-Moore	Aged & Continuing Care Unit
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Health Department Representatives

Jim Codde	Epidemiology & Analytical Services
Alison Daly	Patient Satisfaction Surveys
Elizabeth Lloyd	Epidemiology & Analytical Services
Danuta Pszczolkowski	Health Statistics
Elizabeth Rohwedder	General Health Purchasing

Health Insurance Industry Representative

Lil Asche	HBF
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Subcommittees of the Performance Indicator Working Party

Management Subcommittee
Mental Health Subcommittee
Rural Subcommittee
Strategy 2 (Hospital) Subcommittee

Executive Officers to the Working Party

Barbara Campbell	General Health Purchasing, Health Dept of WA
Sandra Rose	General Health Purchasing, Health Dept of WA