



# Outcome Based Management Policy 2019-20

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## 1. Purpose

The Outcome Based Management (OBM) Framework is a Department of Treasury mandatory requirement for all State Government Agencies. The OBM Framework describes how outcomes, services and Key Performance Indicators (KPIs) are used to measure WA health system performance. The OBM KPIs measure the effectiveness and efficiency of the services delivered against agreed State Government priorities and desired outcomes.

The purpose of the *Outcome Based Management Policy* is to ensure the integrity of the OBM Framework.

This Policy is a mandatory requirement under the *Outcome Based Management Policy Framework* pursuant to section 26(2)(d) of the *Health Services Act 2016*.

## 2. Applicability

This Policy is applicable to all Health Service Providers.

## 3. Policy requirements

### OBM annual report mandatory requirements

Health Service Providers are required to:

- report in the Health Service Provider annual reports all Under Treasurer mandated Performance Indicators (PIs), OBM KPIs and targets as listed in *Addendum 1: OBM KPIs and Targets*
- manage all annual report requirements including the reporting of Under Treasurer mandated OBM KPIs and PIs
- provide the System Manager with a copy of the annual report sent to the Minister for Health
- undertake all collation, analysis and reporting of Under Treasurer mandated OBM KPIs and PIs for the Health Service Provider annual report production
- manage all responsibilities related to OBM KPIs and Health Service Provider annual report audits undertaken by the Office of the Auditor General (OAG) and/or the System Manager
- prepare all relevant information relating to OBM KPI and Health Service Provider annual report audits undertaken by the OAG and/or the System Manager
- request from the System Manager audit information for OBM KPI targets when required by the OAG

- inform the System Manager of OAG required changes to OBM KPI Data Definitions resulting from the OAG annual audit process
- source audit data to satisfy OAG audit requirements from relevant data custodians/providers by formal request
- undertake all tasks if additional Health Service Provider specific PIs are developed for annual report inclusion.

### **OBM budget mandatory requirements**

Health Service Providers are required to:

- supply accurate data and information within required timeframes as requested by the System Manager
- attend the Budget Estimate Hearings when requested by the System Manager or the Minister for Health.

### **OBM cost centre mapping mandatory requirements**

Health Service Providers are required to:

- ensure cost centre mapping for expenditure is accurate and maintained within the OBM Allocation Application in accordance with the programs listed in *Addendum 2: OBM Service, Sub-Service and Programs* and program descriptions in the OBM Allocation Application
- submit cost centre deletions, additions or amendments to Health Support Services to load the information into Oracle 11i
- undertake cost centre apportioning in the OBM Allocation Application
- review cost centre apportioning in the OBM Allocation Application after the general ledger data download (close of business on the 4th working day of each month)
- complete the review of cost centre apportioning by the 8th working day of each month (cost centres apportioned after the 8th working day will not be included in the current month reporting)
- retain adequate records to meet System Manager and Office of the Auditor General audit requirements
- respond in a timely manner to all System Manager requests that relate to the cost centre mapping process for the OBM Allocation Application
- create and maintain an Access Schedule for the OBM Allocation Application
- establish governance structures and approval processes for Access Schedule inclusion
- supply the Access Schedule to the System Manager when access requirements change.

### **OBM KPI data provision mandatory requirements**

Health Service Providers are required to:

- ensure the provision and/or reporting of all OBM KPI data is in accordance with the *OBM KPI Data Definitions Manual*
- provide accurate OBM KPI data or related information within required timeframes as requested by the System Manager.

## 4. Compliance monitoring

Health Service Providers are required to monitor their compliance with this mandatory Policy.

In addition to audits by the Office of the Auditor General, the OBM KPIs and annual reports may also be subject to audit by the System Manager.

## 5. Related documents

The following documents are mandatory pursuant to this Policy:

- [Addendum 1: 2022-23 OBM KPIs and Targets](#)
- [Addendum 2: 2022-23 OBM Framework Service, Sub-Service and Programs](#)
- [2021-22 Outcome Based Management Key Performance Indicator Data Definition Manual](#)
- [Addendum 1: 2021-22 OBM KPIs and Targets](#)
- [Addendum 2: 2021-22 OBM Framework Service, Sub-Service and Programs](#)

## 6. Supporting information

The following information is not mandatory but informs and/or supports the implementation of this Policy:

- [Outcome Based Management Policy Information Compendium](#)
- [2019-20 OBM KPI Data Quality Statements](#)
- [Program descriptions in the OBM Allocation Application](#)

## 7. Definitions

The following definition(s) are relevant to this Policy.

Term	Definition
Key Performance Indicator	A measurable value that demonstrates the effectiveness and/or efficiency of the services delivered.
Outcome Based Management Framework	Describes how outcomes, services and KPIs are used to measure WA health system's performance against agreed State Government priorities and desired outcomes.
Performance Indicator	A measurable value that provides an 'indication' of progress towards achieving an objective or output.

## 8. Policy contact

Enquiries relating to this Policy may be directed to:

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## 9. Document control

Version	Published date	Effective from	Review date	Effective to	Amendment (s)
MP 0115/19	19 July 2019	1 July 2019	1 July 2020	08 June 2020	Original version
MP 0115/19 v.2.0	26 June 2020	08 June 2020	Annual	23 June 2020	Major Amendment details below
<p>Related documents <i>OBM KPI Data Definitions Manual</i> and <i>2019-20 OBM KPI Data Quality Statements</i> have been added. Related documents have been developed in response to the annual review of OBM KPIs in consultation with data custodians and stakeholders within the Department of Health and Health Service Providers. Updates include changes made to align with current service delivery and minor wording amendments. No changes impact the purpose or intent of the KPIs.</p>					
MP 0115/19 v.3.0	26 June 2020	23 June 2020	Annual	16 July 2020	Major Amendment details below
<p>Related document <i>OBM KPI Data Definitions Manual</i> has been amended. The following updates relate to KPI 33:</p> <ul style="list-style-type: none"> <li>• The source of Silver Chain activity data has been changed from contract reports to the Non Admitted Patient Activity and Wait list Data Collection, as recommended by the Office of the Auditor General.</li> <li>• Bethesda Hospital activity data has been added to KPI 33, as recommended by the Budget Strategy Unit.</li> <li>• A data quality statement has been added, following identification of a previously unknown limitation in one service provider's data.</li> <li>• Minor amendments to wording have been made to improve clarity and transparency.</li> </ul>					
MP 0115/19 v.3.1	22 July 2020	16 July 2020	Annual	26 May 2021	Minor Amendment details below
<p>Related document <i>OBM KPI Data Definitions Manual</i> has been amended. Updates include</p> <ul style="list-style-type: none"> <li>• Correction of reporting period for KPIs 16 and 24 to financial year</li> <li>• Correction of WA Country Health Service facility names in KPI 30, in alignment with Health Services (Health Service Providers) Order 2016</li> <li>• Wording amendment to KPI 33 quality statement to clarify that data provided by Bethesda Hospital is an estimate of episodes of care using total bed days and average length of stay to reflect agreed methodology in line with historical reporting.</li> </ul>					
MP 0115/19 v.4.0	26 May 2021	26 May 2021	Annual	22 November 2021	Major amendment details below
<ul style="list-style-type: none"> <li>• Related document <i>Addendum 1: 2019-20 OBM KPIs and Targets</i> amended to update efficiency KPIs in line with 2020-21 Budget</li> <li>• Related document <i>Addendum 2: 2019-20 OBM Service, Sub-Service and Programs</i> amended to remove 23.2 Finance Accounts Receivable Services and corresponding renumbering of remaining Programs.</li> </ul>					

MP 0115/19 v.5.0	24 November 2021	24 November 2021	Annual	10 May 2022	Major amendment details below
<ul style="list-style-type: none"> <li>• Amendments to Addendum 1: Key Performance Indicators and Targets. Targets updated in alignment with Government Budget Statement process.</li> <li>• Amendment to Addendum 2: OBM Framework Service, Sub-Service and Programs. Heading amended to 2021-2022.</li> </ul>					
MP 0115/19 v.6.0	10 May 2022	10 May 2022	Annual	9 August 2022	Major amendment details below
<p>Related Document OBM KPI Data Definitions Manual has been amended. Updates include:</p> <ul style="list-style-type: none"> <li>• Updated title to 2021-22 OBM KPI Data Definitions Manual.</li> <li>• Minor wording amendments or revisions to align with current service delivery. This includes changes in governance, opening/closure of specific wards, changes to data sources and data custodians and updates in alignment with national definitions.</li> </ul>					
MP 0115/19 v. 7.0	9 August 2022	9 August	Annual	Current	Amendment details as below
<ul style="list-style-type: none"> <li>• Related Document Addendum 1: 2022-23 Key Performance Indicators and Targets to reflect targets updated in alignment with Government Budget Statement process.</li> <li>• Related Document Addendum 2: 2022-23 OBM Framework Service, Sub-Service and Programs – amended to 2022-23.</li> </ul>					

## 10. Approval

<b>Initial approval</b>	Dr David Russell-Weisz, Director General, Department of Health
	1 July 2019
<b>Current version approved</b>	Rob Anderson, Assistant Director General, Purchasing and System Performance, Department of Health
	13 May 2021

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