



Queensland
Government
Queensland Health

FAX MESSAGE

Northern Zone Management Unit

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TO:	Fax:
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	Organisation:
	Date: 3 October, 2003

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	Position: A/Clinical Information Officer

CONFIDENTIAL COMMUNICATION

SUBJECT:	File Note on Mackay Elective Surgery Funding and Target Issue
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Pages 4 (Inclusive)

Margaret

Attached is a file note that should be brought to Terry's attention regarding the issue of the unresolved elective surgery funding and targets for Mackay.

Thanks

→ GARY WALKER

Trish Ryan
Acting Clinical Information Officer
Northern Zone Management Unit

1. OUR CONTENTION REMAINS THAT ELECTIVE SURGERY ACTIVITY FOR PREGNANT IS LIMITED IN MACKAY TARGET.
2. CURRENT RISKS STILL BEING UNCLERD ON DISTRICT & HOSPITAL TARGET/FUNDING & THEREFORE WE WILL NOT BE ENDORSEING UNTIL RESOLVED.
3. OUTCOME WE ARE LOOKING FOR IS DISTRICT TARGET & FLEXIBILITY TO AMOUNT BETWEEN FACILITIES.

TR 7/10.

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File Note

Mackay Elective Surgery

Unresolved Contentious Issue

Mackay disagrees with the reduction of elective surgery ESEI funding by \$220,000 and activity by 220 weighted separations. SAS state that the funding and activity was reduced due to Mackay being seen as not achieving their target over last 2 years

For the 2002/03 fiscal year, SAS indicated that Mackay was 68 weighted Separations (1.5%) below their elective surgery target. Mackay believe that activity undertaken at Proserpine Hospital should be counted thus bringing the years total to 51 weighted separations above target.

The major stumbling block in resolving the issue between SAS and Mackay is whether or not Proserpine's elective surgery activity can be used to meet the Mackay target. SAS state that only Proserpine activity above their target can be counted. Mackay maintain that Proserpine activity is included in the Mackay target and has been accepted in the past and therefore should still be counted in the overall total activity.

History

1999/2000 Mackay contacted Zonal Office in May 2000 (KK SC emails attached) with concerns that Mackay may not meet the 99/00 elective surgery target.

Mackay contacted Sean Conway at SAS indicating that an audit had identified 200 elective surgery weighted separations. These were excisions of lesions not added to the waiting list, consequently not counted in elective surgery figures. These cases were subsequently added to the waiting list and the admission status corrected.

Sean Conway also indicated that Proserpine Hospital's elective surgery data had been used to assist Mackay meet its target.

2000/2001 Proserpine activity counted in the reporting of Mackay elective surgery activity and accepted by SAS.

2001/2002 Mackay was contacted several times by SAS indicating that they were below target. When questioned whether the Proserpine had included they replied that no it had been missed subsequently Mackay's activity accepted as being on target. Following the end of the financial year Mackay was informed that it had not met their elective surgery target as Proserpine elective surgery activity could not to be included. Mackay was subsequently penalised \$220,000.

2002/2003 Audits conducted in May/June 2003 identified 250 cases not counted as elective surgery, resulting in an increase of 550 (Phase 7) weighted separations.

Audit criteria was:

a) Admission status "elective" but not on the waiting list - Majority of these were seen in the Emergency Department and referred to Day Surgery a day or 2 later.

b) Admission status "emergency" and had a surgical DRG. To be reclassified as elective these admissions needed to be referred from a GP, Outpatient Clinic (following GP referral) or other hospital following stay of at least 24 hours (I note that Col's definition only needed to be referred from another hospital with no mention of the length of stay of the admission)

These cases were subsequently added to the waiting list and the admission status corrected. The problem of patient not being added to the waiting list has been identified and addressed. Significant staff training has also been undertaken to ensure accurate capturing of elective surgery admissions.



The revised elective surgery activity was not available until after the June snapshot was submitted but included in the data submitted to DSU. Mackay failed to reach its 2003 target by 49 weighted separations.

Negotiations:

- NZMU requested that Mackay activity and funds not be reduced. SAS stated that all funds had been allocated.
- Discussion with SAS (Col Roberts) who offered extra funding of \$145,000 and increase the target by 220 weighted separation, the same as the 02/03 target, however, funding would be at SIF price rather than ESEI price leaving Mackay with a funding reduction of \$75,000.
- Dr Margetts reply to this offer stated that he believed that this was "bullying".
- Contacted Dr Margetts on 26 September where he stated that unless directed by the Zonal Manager, he is not prepared to accept the Col Roberts offer.
- Contacted Val Coughlin-West on 2nd October who indicated that Mackay are not happy to accept any reduction in funding as they consider that they have always met their activity target and should not have been penalised in 2001/02. Full funding has yet to be received for the 2002/03 activity. Mackay accept that due to a number Urology category 2 patients on the waiting list longer than 90 days, they are not entitled to receive the ESEI funding at the phase 7 price.

Recommendation:

Zonal manager to support Mackay's request to have Proserpine elective surgery activity accepted as part of the Mackay activity in both the 2002 and 2003 financial years.

Had Mackay been aware in 2002 that they were not meeting their activity targets, an audit similar to the 2003 audit could have been undertaken with a similar result

Trish Ryan.