

2011

The Legislative Assembly for the
Australian Capital Territory

**Government Response to the Standing Committee on
Health, Community and Social Services Report No 5**

Calvary Public Hospital Options

Presented by
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Minister for Health

Tabled on 18 August 2011

Response to Standing Committee on Health, Community and Social Services

Report No. 5 of 2011 – Calvary Public Hospital Options.

The ACT Government welcomes the report from the Standing Committee Enquiry on Calvary Public Hospital Options.

The report demonstrates that the Territory has a need for additional beds in order to meet the increased demand for services and recognises that these beds need to be accommodated within existing infrastructure or through a new purpose built hospital.

I am pleased that the committee also noted that need to resolve the complications associated with having two separate management structures for the public hospitals, in particular relating to different operating procedures.

The Government will continue to negotiate with the Little Company of Mary Health Care to finalise the details and decisions that will enable further progression of the expansion of public hospital services across the Territory.

The report makes seven recommendations dealing with issues such as role delineation; future negotiations and agreements with Calvary; public private partnerships for new construction; and support for option D or E in the discussion and consultation paper. The Territory has agreed to 6 of the seven recommendations and will progress those items not already underway.

A detailed analysis of the recommendations and the Territory's response is attached.

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No.	Recommendation	Response	Action
1	The Committee recommends that the ACT Government provide to the Assembly evidence demonstrating the efficiencies to be gained by having a fully networked and specialised hospital system for ACT public hospitals.	Agreed	The Health Directorate is currently preparing a new 2011 clinical services plan which will include this information. Once complete, this plan will be released publically and made available to the Assembly.
2	The Committee recommends that in the event that the ACT Government and Little Company of Mary Health Care are unable to reach agreement, an independent arbitrator be appointed to assist the parties to reach a mutually beneficial contractual arrangement.	Noted	The Health Directorate has now reached in principle agreement with LCMHC in relation to the development of additional hospital beds on the northside of Canberra. This in-principle agreement is still subject to considerable negotiations, however the Territory is confident that this will result in a finalised agreement between the two parties. If this does not result in the above mentioned outcome, the Territory is willing to consider an independent arbitrator, however it is not expected that this will be required.
3	The Committee recommends that any future agreement between the ACT Government and Little Company of Mary Health Care seek to establish the requirement for Calvary to provide an annual and financial report for the Legislative Assembly and the people of Canberra.	Agreed	The ACT Government agrees with this recommendation, however, it should be noted that the Little Company of Mary Health Care are an independent organisation and therefore the Territory cannot impose this request upon them, rather work with them to seek agreement to this recommendation. This will be further explored through the establishment of a Local Hospital Network which will include Calvary Hospital.
4	The Committee recommends that the ACT Government report to the Assembly the steps taken to address the concerns raised by the Auditor General in relation to cross charging arrangements between Calvary Public Hospital and Calvary Private Hospital.	Agreed	Health Directorate and Calvary Health Care ACT have put in place revised arrangements to address the concerns raised in the Auditor General's report. The Minister for Health will report to the Assembly on these steps.

No.	Recommendation	Response	Action
5	The Committee recommends that the ACT Government consider the merits of a Public Private Partnership for the construction of a new public hospital, should it proceed with this option.	Agreed	The ACT Government is willing to consider the option of a Public Private Partnership and will investigate this further during the forward design and planning stage of the new sub-acute hospital with the money allocated in this years budget.
6	The Committee recommends that the ACT Government does not proceed with Option C that would result in three acute hospitals and Option B that would result in TCH becoming a "super hospital" as proposed in the Government discussion paper released on 25 February 2011.	Agreed	The Government has considered the options and has agreed to progress with Option E.
7	The Committee recommends that the ACT Government proceed with developing a fully networked and specialised hospital system as proposed by Option D and E in the Government discussion paper released on 25 February 2011.	Agreed	The Government has considered the options and has agreed to progress with Option E.