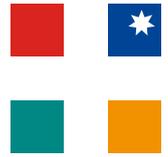


Australian
Private Hospitals
Association



Australian Private Hospitals Association
ANNUAL REPORT 2006-07





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Private Hospitals at a Glance

Provision of Services

- Private hospitals treat almost **40% of all patients in Australia**.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2005-2006.
- In 2005-06, private hospitals admitted **2,846,000 patients, up 17.0%** on the previous four years.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2005-2006.
- Private hospitals **perform the majority of surgery in Australia – 56%**.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2005-2006.
- Of the **top 10** (in volume) treatments provided by both public and private hospitals, **five are identical procedures – with private hospitals performing the majority in four of the five**.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2005-2006.
- Numerous complex procedures and treatments** – traditionally associated solely with public hospitals – **now see private hospitals doing the bulk of work, for example:**

Sameday alcohol use, disorder and dependence services	94%	Cerebral palsy, muscular dystrophy and neuropathy	66%
Obesity Procedures	84%	Spinal procedures	64%
Sleep apnoea	84%	Other major joint replacement and limb reattachment	64%
Knee procedures	77%	Hip replacements	55%
Sinus, mastoid and complex middle ear procedures	70%	Chemotherapy	55%
Major eye procedures	70%	Major malignant breast conditions	54%
Mental health treatment, sameday	68%		

Australian Institute of Health and Welfare, Australian Hospital Statistics 2004-2005.

- Private hospitals also perform **46% of all cardiac valve procedures and 41% of all coronary bypass operations and provide 43% of all hospital-based psychiatric care**.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2004-2005.
- Of the total **654 different procedures and treatments** undertaken in Australian hospitals, **private hospitals provide 647**.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2004-2005.
- In 2005-06, private hospitals treated some **423,000 accident and emergency cases**.
Australian Bureau of Statistics, Private Hospitals Australia 2005-06.

Infrastructure

- There are **284 private hospitals** in Australia, with **25,252 beds** – around **32% of all hospital beds** in Australia. There are 252 free standing day surgeries.
Australian Institute of Health and Welfare, Australian Hospital Statistics 2005-2006.
- Since 2001-02, **private hospital capital investment** has fallen by 17% (from \$446,990,000 to \$370,132,000). **Day surgery capital investment dropped 39%** (from \$27,285,000 to \$17,235,000). These figures starkly reflect the failure of health insurance companies to pass on successive premium increases to health care providers.
Australian Bureau of Statistics, Private Hospitals Australia 2005-06.



Employment and Training

- Over the past decade, **full-time equivalent staff in private hospitals** has increased by 22% to **47,770**. **Full-time equivalent staff in day surgeries** has increased by 150% to 2,231.

- Australian Bureau of Statistics, Private Hospitals Australia 2005-06.

- Australia's **private hospitals invest \$35,000,000 a year** in the education and training of surgeons, doctors, nurses and other health care professionals. Of this philanthropic investment in the nation's future medical workforce, private hospitals receive **no funding from governments or private health funds**.

Allen Consulting Group, Education & Training in Private Hospitals, 2005.

Safety and Quality

The Australian Council on Healthcare Standards has released 2 reports on the accreditation performance of public and private hospitals. In the latest report: 14 private hospitals were recognised for their leading practices by being awarded at least one Outstanding Achievement (OA) rating. This represents 58% of all hospitals recognised in this way. These OA ratings were awarded against a range of criteria, including:

- Care planning and delivery
- Infection control system
- Consumer participation in health services
- Consumer rights and responsibilities
- Governance structures
- Australian Council on Healthcare Standards, National Report on Accreditation Performance 2003-2006.

Australian Council on Healthcare Standards, National Report on Accreditation Performance 2003-2006.



APHA 2006/2007 Achievements

ISSUE	ACTION	RESULT
PRIVATE HEALTH INSURANCE REFORM	<p>Extensive and ongoing discussions with Department of Health and Ageing on Broader Health Cover reforms to private health insurance from late 2005 to date. Three submissions provided to Department and a further two submissions to Senate Community Affairs Committee; Evidence provided to Committee 2 February 2007.</p> <p>Legal advice sought to support APHA's position and recommendations.</p>	<p>Rewording of several provisions in draft Bill to reflect current private hospital service provision.</p> <p>APHA continues to advocate for amendments to the legislation to ensure level playing field.</p> <p>Several suggested amendments to the Bill included in APHA's supplementary submission were adopted by the Government in the final version of the Bill. Some regulations not yet drafted. APHA continues to provide views to Government.</p>
SAFETY AND QUALITY engagement/involvement of private sector	<p>Detailed submission to Review of Australian Council on Safety and Quality in Health Care 2005 Meetings with review team and transition team.</p> <p>APHA invited to nominate high profile individual to new Commission.</p> <p>Extensive lobbying for establishment of a high level private hospital Committee for 2-way engagement with the Commission.</p> <p>Advocate for private sector representatives on public sector dominated committees assessing Open Disclosure and National Inpatient Medication Chart.</p>	<p>APHA President Christine Gee appointed to Australian Commission on Safety and Quality in Health Care as Commissioner with private health care experience and expertise 2006.</p> <p>Private Hospitals Sector Committee established Jan 07 and Chaired by Christine Gee. APHA invited to nominate four representatives (Stephen Walker, Michael Coglin, Leon Clark, Maree Bellamy).</p> <p>APHA invited to nominate representatives for Open Disclosure and National Inpatient Medication Chart Committees.</p>
SECOND TIER BENEFITS Review commissioned by Department of Health and Ageing from Allen Consulting October 2005 – Issues Paper released – no option included for retention of the benefit	<p>Detailed submission provided by APHA. Meetings held with Allen Consulting and Department of Health and Ageing. Circulation of APHA's submission and briefing materials to influential Parliamentarians.</p>	<p>Second tier benefits retained.</p>

ISSUE	ACTION	RESULT
PORTABILITY	<p>Extensive lobbying and representations to Minister for Health and Ageing, Department of Health and Ageing, Private Health Insurance Ombudsman, and influential Parliamentarians. Engagement of Crosby Textor to assist dissemination of APHA's messages.</p> <p>Commissioned paper from Access Economics and APHA briefing documents circulated widely.</p>	<p>Minister for Health and Ageing announces restoration of portability from 1 December 2005. Portability provisions tightened in Private Health Insurance Act 2007.</p>
ACCREDITATION		
ACHS	<p>Ongoing liaison with ACHS management through APHA Safety and Quality Committee.</p>	<p>Increase in APHA representation on ACHS Standards Committee</p> <p>Increased representation on ACHS Board. Extensive and effective input into revision of EQUIP to ensure private sector perspectives understood and accepted.</p> <p>APHA represented on Steering Committee and Working Groups for review of National Standards for Mental Health Standards (Christine Gee, Paul Mackey).</p>
Australian Commission on Safety and Quality in Health Care Review of Accreditation	<p>Meetings held with ACSQHC staff to provide a private sector viewpoint on proposals</p> <p>APHA Safety and Quality Committee develops summary guide to ACSQHC Discussion paper and distributes to members.</p>	<p>Detailed submission by APHA</p> <p>APHA represented at ACSQHC Forums on accreditation. Review ongoing in 07-08.</p> <p>Private Hospital Sector Ctee input into draft ACSQHC Concept Plan.</p>
MEDICAL INDEMNITY – review of existing arrangements, including temporary exemptions for employed doctors in private hospitals sector	<p>Submissions by APHA to reviews of Medical Indemnity by Treasury and Medical Indemnity Taskforce.</p> <p>Meetings held with Departmental Officers Invited to participate in Roundtable discussion November 2006. Submission provided January 2007.</p>	<p>Issues still under consideration by Government however Treasury appear to have accepted and to support APHA's arguments.</p>

ISSUE	ACTION	RESULT
PROSTHESES In 2005 Minister announces a set of Principles for new prostheses arrangements which are expected to be developed by, funded by and overseen by 'industry'.	APHA representatives on Policy Advisory Group (PAG) and Prostheses and Devices Committee continue to represent the interests of members.	Ongoing discussions (with CHA) with Department to ensure that the administrative arrangements are improved and workable from hospital perspective.
	Lack of a structured assessment and benefit regime for many devices with the result that many are unfunded or bundled inappropriately into case payments.	Establishment of an expert Medical Devices Working Group tasked with assessing adequacy of existing definition of 'prosthesis'. Group agrees on a wider definition which is approved by PAG and submitted via the Dept to Minister.
	Further work to be undertaken to identify consistent funding mechanisms for items that do not meet the expanded definition.	Minister agrees to expanded definition May 07.
HEALTH WORKFORCE TRAINING	Detailed submissions by APHA to Productivity Commission and discussions with Commissioners undertaking the inquiry.	Commission's report incorporated APHA's recommendations on several issues, including: greater transparency of funding arrangements; and revision of funding arrangements so that funding follows the trainee.
	Liaison with Royal Australasian College of Surgeons Liaison with Consultants commissioned by Department of Health and Ageing. Ongoing discussions with Department of Health and Ageing.	In April 2007, the Department of Health and Ageing implemented the Expanded Settings for Medical Education program with funding available for private hospitals to create new training opportunities for Post-graduate Registrars. APHA President Christine Gee invited to join Stakeholder Management Committee for program.
NATIONAL HOSPITAL COST DATA COLLECTION	Extensive lobbying of and discussion with Department of Health and Ageing and successive Ministers for re-establishment of the NHCDC for the private sector following its abolition in 2004.	NHCDC for the private sector re-established June 2006. APHA has continued to liaise with the Department on issues around the NHCDC.

ISSUE	ACTION	RESULT
NSW PRIVATE HEALTH FACILITIES BILL	<p>Successfully approached NSW Health legal branch to have input into the drafting of legislation to replace the Private Hospitals and Day Procedures Act.</p> <p>Convened a representative sample of private hospital operators to attend meetings with legal branch and provide advice.</p>	<p>Legislation amended by NSW Health to reflect the input and advice provided by APHA and private hospital operators.</p>
HOUSE OF REPRESENTATIVES INQUIRY INTO HEALTH FUNDING	<p>Detailed APHA submissions and participation in several public hearings and roundtable discussions.</p>	<p>APHA invited to appear before the Committee on 6 occasions.</p>
LACK OF PUBLIC AWARENESS OF LIFETIME HEALTH COVER	<p>Advocate to Minister and Department for mass mail out to all people approaching 30th birthday</p>	<p>Funding provided in 2006-07 Federal Budget for mail out.</p>
MEDIA AWARENESS AND COVERAGE	<p>Delivery of <i>Private Hospital</i> magazine directly to all specialist journalists and other members of the Federal Press Gallery. Direct liaison with Press Gallery members.</p>	<p>Increasing awareness of APHA as an organisation by media and politicians. Results include a major feature article on new APHA President in <i>Weekend Australian</i>, plus increasing inclusion in media articles.</p>
POLITICAL ENGAGEMENT	<p>Meetings with Prime Minister, Treasurer, Minister for Health and Ageing, Minister for Education, Minister for Human Services, Aged Care Minister, Julia Gillard and Nicola Roxon.</p>	<p>Direct contact with senior politicians through direct contact (and contacts) by APHA. Direct meeting with President and Policy and Research Director with new Shadow Health Minister within days of her appointment. Feature article on Ms Roxon in <i>Private Hospital</i> magazine after direct interview and picture of Ms Roxon and APHA President. □</p>



About The APHA

As the peak national body representing private hospitals and day surgeries, the Australian Private Hospitals Association (APHA) covers the full spectrum of activity undertaken by these mainstream providers of health care.

These areas include all surgical and medical specialty areas, accident and emergency, psychiatry, rehabilitation and ambulatory care.

The APHA membership comprises most of Australia's major private hospital groups, as well as the nation's premier large, medium and small independent facilities located in metropolitan, regional and rural areas throughout Australia.

Aims And Objectives

Membership of the APHA is voluntary. As such, our members have the utmost commitment to quality services, ethical conduct and professional health care standards.

The APHA's aims are:

- To ensure that Australians are empowered with personal choice and rapid access to affordable hospital care of the highest quality.
- To champion the cause of private hospitals in delivering the very best in hospital care to patients.
- To promote and protect the interests of private hospitals, their owners and operators, and to proactively interact with members, to ensure private health care continues to be dynamic in meeting the ever-changing needs of the Australian community.
- To strive in achieving acceptance by governments of a comprehensive role for private hospitals in their desire to provide a full range of health care services and their commitment to adequate self-regulation and review - thus ensuring the highest standards in quality care.
- To adopt all measures necessary to emphasise the rightful place of private hospitals in Australia's unique balanced health care system.
- To achieve these aims, the APHA will:
- Initiate, foster and maintain a consultative,

cooperative and communicative approach to dealing with governments, other health and health-related organisations, media, community groups and the public.

- Act as 'the' principal coordinating and peak lobbying body for private hospitals and day surgery facilities.
- Encourage and facilitate united positions among member and non-member private hospitals, as well as all other relevant bodies, to achieve consensus in the policies and issues advanced.
- Promote and recognise the highest professional and ethical standards, health service delivery achievements and innovative medical and non-medical treatments for the betterment of patient and community wellbeing.
- Stimulate greater awareness of private hospital excellence through improved communication between hospitals and the Australian community.

Standards

The APHA has, since its inception in 1981, been integral to the achievement and maintenance of the highest standards of patient care within private hospitals.

The APHA, through its various committees, provides input to the establishment and review of the standards drafted by the Australian Council on Healthcare Standards.

Moreover, the APHA has two representatives on the Australian Council on Healthcare Standards.

A Brief History Of The APHA

The APHA was formed in June 1981 as the peak national body representing private hospital interests in Australia.

Prior to its inception, six separate State Private Hospitals Associations – each autonomous bodies – met infrequently to discuss issues of national importance, but without any cohesive national focus.



APHA team

Between 1981 and 1986, the APHA provided a forum for national action when the need arose, but had no employed staff and no office facilities. During this period the Association proved effective in representing the sector, but with little attention being paid to the Association by outside agencies.

Following the recommendation of an all-State Task Force in 1985 to enhance its national presence, the APHA established a National Office in Canberra in August 1986. The staff consisted of the Executive Director, and a secretary, with operations initially accommodated in the Executive Director's home.

The Association has unified the private hospital sector and, with strong leadership and loyal, highly competent staff, has transformed a loose knit group of State organisations into a respected, influential and high-profile peak federal body.

The APHA is recognised by politicians, the media and other health organisations as 'the' premier private health body.

In October 1995 the APHA's Articles of Association were amended to make it a much more representative body, with hospitals and groups of hospitals becoming direct members of the Association – rather than the States.

Accordingly the APHA was restructured in 1996, presenting a unique avenue for hospitals to have direct input into APHA policy development. Previously, with only the State Associations being members of the APHA, hospitals had only a vicarious link with the national body.

Following a change of membership in the late 1990s the Association's Secretariat underwent structural reorganisation.

What emerged was a sharper focus on being 'the' leading national voice for lobbying and advocacy, as well as in driving improvements in private health care.

Following this review, the Association has thrived.

Due to the Association's significant achievements membership is now at an historically high level, with the APHA representing 75% of the private hospital sector.

Now more than ever, it is essential private hospitals continue to speak with one voice. While the achievements of the APHA have been substantial, the challenges ahead for the private health sector are great and the political landscape is ever-changing.

It is our profound desire to see the Association's ability to lobby, advocate, liaise and effectively lead private hospitals further bolstered, taking critical issues and concerns to key decision-makers. □

President's Report with Christine A Gee



It was a great honour to be elected National President in 2006 and it has been a privilege to lead the Australian Private Hospitals Association during the 2006–2007 year.

This past year has proved to be a busy and challenging one for both the private hospitals sector and the Association. A multitude of activity at both the Federal and State levels, including a comprehensive overhaul of private health insurance arrangements, a fundamental review of accreditation and an increasingly problematic contracting environment have occupied much attention during the year.

I believe that for any Association to continue to be relevant and attuned to the views and needs of its members, ongoing renewal and refocus when indicated is crucial. Some renewal occurs regularly through changes in the make-up of the APHA Board, with the farewell to retiring Directors, who often leave large shoes to fill and the welcome and introduction of new faces, with accompanying enthusiasm and fresh ideas.

In this regard, I firstly take this opportunity to pay special tribute to Denis Hogg (retired Chief Executive of Epworth Foundation) who retired as Chairman of the APHA Board and as a Director of APHA in February 2007. Denis has been a stalwart of the APHA over a very long period of time. He has devoted almost 20 years to the Association, having been elected as a Director of APHA in 1988. Denis has performed many roles for the APHA. In addition to being a long standing Director, he was National President 1991 to 1994, chaired the then Policy and Legislation Committee and was also the first (and a long-standing) Chairman of the APHA Board of Directors.

As Leon Clark noted in his President's report last year, Denis was awarded an Order of Australia in the 2006 honours list for his service to the private hospitals industry and, in particular, for his work for APHA, a fitting tribute prior to his retirement from 'active duty' in February 2007. I am sure the entire private health industry joins with me in acknowledging and thanking Denis for his substantial and remarkable contribution to the private health sector.

On behalf of all APHA members I would like to thank Denis and Chris Rex (Chief Operating Officer, Ramsay Health Care) for their contributions to the Association during their time as Directors. I would like to formally introduce and welcome Alan Kinkade (Chief Executive, Epworth HealthCare), Craig McNally (Manager of Planning & Development, Ramsay Health Care) and Steve Atkins (Chief Operating Officer, Health Care) who have joined the Board during the year.

APHA has developed into a strong and respected organisation and is the recognised peak body and voice of private hospitals. This would not have been possible without the dedication and determined efforts of my recent predecessors as President, Leon Clark (2005 and 2006), John Pitsonis (2003 and 2004) and Pat Grier (2001 and 2002). I would like to formally recognise their combined efforts on behalf of all APHA members.

"APHA has developed into a strong and respected organisation and is the recognised peak body and voice of private hospitals."

In addition to changes in membership of the Board, a more fundamental and regular renewal is also required to enable the APHA to reflect on its direction, governance and structure and ensure its continued relevance to members. With this in mind the APHA Board held a 'back-to-basics' in-depth review as part of the 2006/07 strategic planning process. This facilitated exercise was a comprehensive examination of what role the APHA does and should play on behalf of members, where

the Association is heading and what it needs to get there successfully.

Directors agreed that the core purpose of APHA is Ensuring the ongoing development of the Private Hospital Industry and undertook to achieve this outcome by focussing on four key areas:

- Industry financial sustainability through improved funding
- Influencing policy, legislation and regulation
- Understanding and delivering value to members
- Driving the safety and quality agenda

It is recognised by the Board that a range of activities are fundamental to satisfactory progress of these key focus areas. For example, identifying what members want from APHA and in particular what types of services are required to enable APHA to deliver a value proposition for its membership. In addition, the development of a more streamlined Corporate Governance structure is required to ensure APHA is delivering on the core issues and services of importance to members.

Enhancing the role of APHA in the arena of safety and quality by working to reduce the costs of compliance for members of the multiple measurement and reporting regimes; and assisting members in the implementation of national safety and quality initiatives is also being pursued, as is undertaking a key project to gather an evidence base to underpin a major lobbying effort that will demonstrate the financial plight of the industry and the unsustainability of current funding models.

However, in order to ensure maximum benefit to all APHA members, it is important that these activities are not pursued in a disparate manner. I believe strongly that long-lasting results are best achieved through collaboration, inclusiveness and partnership. I foreshadowed this view in an interview shortly after my election as APHA National President in 2006 and this has informed my approach to the position during the year.

A reinvigorated series of participatory forums for members were held in the major cities during the year. These APHA Action Updates provided a forum for members to exchange views with myself, APHA Vice-President Richard Royle and Executive Director Michael Roff. The forums also provided an opportunity for APHA's new strategic directions to be canvassed with members. I regard these forums as a very important mechanism for engagement between members and your elected representatives.

A spirit of partnership has similarly underpinned much of the work of the Association during the year. A notable achievement of APHA earlier this year was the establishment of the Private Hospitals Sector Committee as a key advisory committee to the Australian Commission on Safety and Quality in Health Care. This Committee comprises representatives of private hospitals, medical practitioners and private health insurers and has adopted a collegiate approach to its key task of the implementation of the national safety and quality agenda across the private hospitals sector.

During the year APHA has also strengthened its formal and informal collaboration with other key organisations including Catholic Health Australia, the Private Hospitals Association of Queensland, the Australian Day Hospitals Association and the Australian Medical Association. An example of the outcome of this collaborative approach was the establishment during the year of a new Commonwealth Government program which is to fund training positions in private hospitals and other settings outside of public teaching hospitals.

APHA's membership reflects the diversity of the sector. There is much that marks our differences from each other, such as size, structure and ownership, however, APHA's core purpose is what unites us: ensuring the ongoing development of the private hospitals industry.

We can achieve much together. I look forward to seeing you at the APHA National Congress in Melbourne and to participating in discussions at the 2007 Member Forum held in conjunction with the Congress.



Increased Political Lobbying – Federal Health Minister Tony Abbott meets with APHA Executive Committee members on wide ranging issues affecting the private hospital sector.

In closing, I would like to thank Vice-President Richard Royle, Chairman of the Board Pat Grier and the immediate Past-President Leon Clark for their collegiate and enthusiastic approach to leading the Association during the year. I likewise thank the Chairs of Board Committees, George Toemoe, Andrew Currie and Robyn Ashe and acknowledge the effort and contribution of all APHA Directors.

I think it is also important to acknowledge that as Directors, we rely on our own staff to keep our hospitals and organisations running while we are representing the industry through APHA. I would therefore like to thank the Chairman, Wayne Kratzmann and staff of Toowong Private Hospital for their efforts and support while I am engaged on APHA duties.

I praise the enormous effort and dedication of the APHA Secretariat. The secretariat is small in number but is huge in endeavour in support of APHA and its members. Much gratitude goes to Paul Mackey, Director of Policy and Research for his professionalism and achievements across the vast scope of the APHA portfolio and most particularly his

expert assistance with the Board Committees I Chair including the Quality and Safety Committee and the Psychiatry Committee.

Finally, I acknowledge the role and continued commitment of Michael Roff, Executive Director and his assistance with charting the new direction for APHA whilst managing the myriad of 'business as usual' activities and all this in the lead up to an Election Year!.

Thank you for your support of the Association during the year. □

Christine A Gee
President



Executive Director's Report

with Michael Roff



At the time of writing, it is expected that the Prime Minister is days away from calling a federal election. By the time this report is published, there is a distinct possibility that the election will be over.

Once again, health is a key policy battleground for the major parties. However, unlike the last couple of elections, it appears that issues surrounding private health care will take a back seat to broader issues around how public hospitals services are organised, funded and delivered.

To date, the Opposition has committed to maintain all of the private health insurance support measures introduced by the Government, although they may adjust the threshold levels for the Medicare levy surcharge.

"...they may adjust the threshold levels for the Medicare levy surcharge."

APHA has been increasing our engagement at all levels with both major parties in the last 12 months. This has included meeting with the Prime Minister, Opposition leader and a raft of senior Ministers and their Shadows. Members of

the Board and the Executive Committee have been involved in this process to assist key decision makers in their understanding of the private hospitals sector.

It is interesting to note that previously, issues around private health care have been used to highlight ideological differences between the parties. In 2007, this point of difference has been removed.

The processes that culminated in the passage of the so-called "Broader Health Cover" legislation (which came into effect on 1 April 2007) occupied much of APHA's time in the first half of the year.

There were numerous submissions and consultations and, predictably, a Senate Committee inquiry before which we were invited to appear. Through these processes, we were successful in advocating a number of key changes to the legislation to ensure that private hospitals were not disadvantaged.

One of the most significant of these is that the position we have been advocating in relation to portability of health fund membership has been incorporated into the new legislation. This should remove any of the ambiguity around this issue that health funds have been able to exploit in the past.

"...portability of health fund membership has been incorporated into the new legislation."

Furthermore, we were able to ensure the legislation stipulates that health funds can only sell products to cover 'hospital substitute' treatment if those products also provide benefits to cover the equivalent service provide in-hospital. This was not included in the original proposals.

The mooted quality framework for insured services and the conditions for becoming a "declared" private hospital are due to take effect on 1 July 2008 and APHA is already engaged in ensuring our members' interests are understood and considered before final decisions are made.

Another key piece of legislation passed this year allows for the privatisation of Medibank Private. The process itself has been deferred until after the election (with the Opposition stating they will maintain government ownership of the fund if elected).

This is but one indication of what is likely to be significant structural change within the health insurance industry in the next few years. NIB is proceeding to a float later this year. MBF is also moving down the demutualisation path with a view to a float while BUPA has proposed a merger with MBF.

It is extremely difficult to predict what the effect of these structural changes will mean for private hospitals. Much will depend on the financial structure of the new arrangements and the attitude of those managing the new entities.



Michael Roff, Leon Clark and Christine Gee meet with Prime Minister, John Howard

And while it is almost impossible to speculate what the health insurance sector might look like in two or three years time, it is probably a fair bet that if there is consolidation, there will be increasing scrutiny from regulatory authorities, including the ACCC, particularly in relation to market power issues.

Once again, issues relating to quality have been an area of much activity. APHA is concerned at the increasing compliance burden imposed on private hospitals from a disparate range of uncoordinated quality bodies, seemingly for no good purpose. We are seeking to address this by involvement at the highest levels within the quality “sector” in attempt to improve harmonization between various quality reporting regimes.

Part of this effort led to the establishment of the Private Hospitals Sector Committee of the Australian Commission on Safety and Quality in Health Care, which is discussed in more detail in the President’s report.

In addition, after several years of effort, we were successful in lobbying the Australian Council on Healthcare Standards to amend its Constitution to establish an additional seat on its Board. This seat, which is contestable by any member of the Council, was filled by Stephen Walker from St Andrews Private Hospital.

One of the key changes for APHA this year was in the position of President. Dr Leon Clark stepped down after two years leading the Association (although he remains a director).

Leon was an extremely active President who championed a range of causes for the private hospitals sector including portability and funding for education and training. In addition, he convened a ‘Private Health Summit’ involving hospitals, health

funds, doctors and the Government. This led to the establishment of the “Promoting Private Health Group” that continues to provide a discussion and action forum for all groups involved in private health.

Leon successfully pushed for a change to the APHA Constitution to make independent quality accreditation a condition of membership. This condition is often quoted in submissions and greatly enhances our credibility in the growing debate on quality issues.

Christine Gee was elected APHA President in October 2006 after serving four years as Vice-President. Through her involvement in a plethora of government and industry committees over many years, Christine is one of the most well-connected people in the sector. She hit the ground running as President with a series of meetings in Canberra with everyone from the Prime Minister down.

More recently, she has led the Board’s strategic review which has provided a new direction and focus for the Association going forward.

Christine has been ably assisted by Richard Royle, who was elected Vice-President in October 2006.

I would like to take this opportunity to thank all members of the APHA National Board, particularly those who chair Board sub-committees, for their significant efforts and for the guidance they provide to me and the secretariat.

Speaking of which, Goran Josifovski joined the National Office this year as Member Service Manager. Goran has become an effective and integral part of our small team that includes Paul Mackey, Russ Street, Kathryn Lee and Lucy McCarthy.

This enthusiastic and highly competent group is the Associations’ best asset. Members can be assured that whatever challenges face the sector in the coming year, this group will be doing their utmost to serve the membership and ensure the interests of the sector are protected. □

Michael Roff
Executive Director

Policy and Research with Paul Mackey



In 2006-07, the trend continued of a diverse range of issues being dealt with in the policy front. During the year, ten formal and detailed submissions were lodged with the Department of Health and Ageing, the Department of the Treasury, the Senate Standing Committee on Community Affairs, the Australian Commission on Safety and Quality in Health Care, and the Australian Competition and Consumer Commission. Further comments and views were provided to a range of consultations undertaken by national and State government departments and agencies.

A summary of the key achievements during the year in the policy area is located at the front of the Annual Report. I have highlighted below some of the key issues addressed during the year.

Reforms to Private Health Insurance

The *Private Health Insurance Act 2007*, which was passed by the Federal Parliament during the year, substantially reformed the regulation around private health insurance, including allowing health insurance funds to pay benefits for a wide range of services provided outside of hospital. Some of the key aspects of these changes are:

- Since 1 April it has been possible for health insurers to offer three types of health insurance: hospital, ancillary and broader health cover (which must include hospital treatment);
- The concept of a Day Surgery has disappeared from legislation, and now all facilities are called private hospitals;
- The concept of an admitted patient has also disappeared and, instead, treatment is defined around who is providing it;

- Hospital treatment is provided under the management and control of a hospital, and intended to manage or treat a condition; and
- General treatment is undertaken by providers other than hospitals.

There are several categories of general treatment:

- Hospital substitute (same day and home care);
- Chronic disease management programs; and
- other ancillary services.

New provisions affecting hospitals

Previously, the Australian Government largely regulated hospitals only in relation to private health insurance. With the passage of the *Private Health Insurance Act 2007* the Minister for Health and Ageing will 'declare' each hospital for the purposes of payment of health insurance benefits for the treatment of insured patients. This new process includes several regulatory provisions that a hospital will be required to meet from 1 July 2008. The key regulatory provisions to be taken into account by the Minister in deciding to 'declare' a hospital are:

- The nature of the facility, including the range and scope of the services provided under the management and control of the facility;
- Whether the facility is licensed or approved to operate by the relevant State Government;
- Whether the facility is accredited;
- Whether the facility is or has undertaken to provide HCP data within 6 weeks of a patient's discharge; and
- if the hospital provides triage and early treatment to a person in a situation of emergency, that the hospital subsequently:
 - i) provides reasonable access to an appropriate range of services for the treatment of the person; or
 - ii) has arrangements for the transfer of the person, within a reasonable time, to a hospital where such services are available.

The National Health Act 1953 previously included a provision that required health insurance funds to pay all claims within a maximum period of 2 months. This provision was repealed from 1 April. APHA has proposed to members that if they do not already have such a provision in their contracts with health insurers then this is a matter worth considering for inclusion.

All legislative references to Hospital Purchaser Provider Agreements (HPPAs) have been removed from 1 April. Some provisions, such as the requirement to provide Hospital Casemix Protocol (HCP) data have been retained under new requirements applying to a hospital being 'declared', as canvassed above.

From 1 July 2008 the Approved Private Sector Outreach program will cease. Hospitals wishing to provide hospital-in-the-home or other outreach programs after 1 July 2008 will need to discuss and agree the parameters for the programs with each health insurer. Default benefits will not apply to outreach programs from 1 July 2008.

Safety and Quality

Safety and Quality has been an area of much activity during the year. A sustained effort led by the APHA Safety and Quality Committee resulted in the establishment of the Private Hospitals Sector Committee (PHSC) by the Australian Commission on Safety and Quality in Health Care (ACSQHC). The PHSC is the key advisory Committee to the ACSQHC on issues relating to safety and quality in health care in the private sector. Chaired by APHA President Christine Gee in her capacity as a Commissioner on the ACSQHC, the PHSC comprises representatives of private hospitals, medical practitioners and private health insurers.

One of the key tasks pursued by the APHA Safety and Quality Committee and subsequently by the PHSC during the year is the duplication, overlap, inefficiency and the ever increasing costs of compliance imposed on private hospitals to meet the requirements of State licensing; State-based safety and quality bodies; and private health insurance funds, in addition to accreditation agencies, all of which are seeking to undertake the same task, supposedly assuring the safety and quality of health services.

In this regard, APHA welcomed the decision of the Australian Health Ministers' Advisory Council (AHMAC), consisting of Chief Executives of the Commonwealth, State and Territory health departments, which agreed during the year that the ACSQHC should seek the support of Health Ministers for the next phase of stakeholder consultation on accreditation reforms specifically to explore opportunities for the reforms to reduce duplication in safety and quality requirements for the private hospital sector.

This decision was subsequently supported by Health Ministers, which is a major breakthrough for private hospitals. This outcome is the result of a consistent and persistent effort led by APHA National President Christine Gee and it represents a notable early achievement for the ACSQHC Private Hospital Sector Committee.

Accreditation

The ACSQHC has been tasked by the Australian Health Ministers' Conference to undertake a review of accreditation arrangements. As part of the consultation process for this review, the Commission released a Discussion Paper for comment during the year. APHA distributed the Commission's Discussion paper to the APHA membership and sought their views and comments prior to lodging a detailed submission with the ACSQHC.

Health Ministers tasked the ACSQHC in part to outline the "strengths and weaknesses of the current system", however, the Discussion paper focussed its attention almost solely on the perceived weaknesses. APHA argued in its submission to the ACSQHC that this approach leads towards a case supporting fundamental reform whereas a more balanced approach that takes account also of the strengths of the current system (as requested by Ministers) would have been more likely to support a case for incremental reform.

In its submission, APHA argued strongly that the complete dismantling of the current system and its replacement with largely untested alternatives is not an appropriate response. APHA's submission argued that the safety and quality of health services

is a shared endeavour of providers (institutions and practitioners), funders and governments with the objective of providing optimal outcomes for consumers/patients. Accordingly, the system of accreditation of health services should ideally be shaped around this shared responsibility. The review of accreditation by the ACSQHC is still underway at the time of writing, with a report to Ministers expected by March 2008.

Also during the year, APHA provided comment on proposals circulated by the Department of Health and Ageing on the safety and quality framework for privately insured services that will take effect from 1 July 2008. Much of the detail underpinning the quality assurance framework proposed by the Department will be informed by the outcomes of the ACSQHC's review of accreditation and standards setting.

APHA found it disappointing and concerning that the Department's proposals envisage only mandating the status quo and APHA argued strongly that all health services should be accredited. APHA proposed to the Department that it should adopt a simple minimum requirement in its quality assurance regime, whereby the same service, regardless of the organisation and/or practitioner providing the service and the setting in which the service is provided, is subject to the same quality assurance requirements. In APHA's view, to do otherwise would create a two-tiered system of quality assurance for health service provision.

At the time of writing, the Department is still considering the exact shape of the safety and quality framework for privately insured services that will apply from 1 July 2008.

Medical and professional indemnity

APHA was also involved in consultations with the Federal Treasury during the year with regard to medical and professional indemnity issues. Following the passage in 2003 of the *Medical Indemnity (Prudential Supervision and Product Standards) Act 2003*, it became apparent that, in the introduction of standards for the insurance products offered to medical practitioners, unintended consequences were caused to the insurance products offered to

employers of doctors, including private hospitals. These standards included defined cover of \$5 million per medical practitioner and retroactive and run-off cover requirements.

In 2004, following representations by APHA, individual private hospitals and elements of the insurance industry, constructive discussions were held with the Australian Government Department of the Treasury which resulted in several temporary exemptions being made to the Act via regulation. These exemptions have had the effect of exempting the insurance arrangements for employees from the product standards parts of the Act. APHA is unaware of any difficulties that have arisen for any party since the temporary exemptions were introduced over 2 years ago.

In late 2005 Treasury commenced a consultation process to ascertain whether these and other temporary exemptions should be permanently included in the Act or removed or some other course of action undertaken. APHA provided a submission to this consultation process in January 2006.

APHA representatives attended a roundtable meeting convened by Treasury on 5 November 2006 which discussed the application of the product standards to the insurance arrangements of employers of doctors. Several options, including the status quo, were canvassed at this meeting. On 19 December 2006, Treasury circulated a paper seeking views on these options. In APHA's view, the only workable option in the Treasury paper is one that would formalise the current exemption. APHA believes that this option is the simplest and is cost neutral.

Treasury had previously noted in its 2006 Discussion paper that the product standards of the Act "make insurance for large groups of employed medical practitioners unaffordable at best or simply unavailable at worst." APHA shares this view. Accordingly, APHA recommended to the Treasury that the existing exemptions in section 8 of the Act be formalised and made effective. At the time of writing no formal announcement had been made by the Treasury on the outcome of its review. □

Public Affairs with Russ Street



The past twelve months has seen the profile and reputation of APHA continue to increase.

In 2006-07 APHA has been particularly effective in the political arena with regular meetings and several feature interviews with both the major parties in *Private Hospital* magazine.

This is particularly relevant in this election year and continues to demonstrate the ability of APHA to influence policy and political direction.

Focus and Direction

A lot of work has already been done with significant achievements but over the following twelve months, there is a continuing need for APHA to increase its efforts to develop a strengthening national image and its recognition in the media and especially with politicians at all levels.

The work over the last year in developing the APHA profile with the media and politicians is showing a strong dividend with politicians in particular seeking to be included in *Private Hospital* magazine which now has a national readership of between 15 and 20 thousand in private hospitals, the health sector, among politicians, business and the media.

The Association is increasingly recognised as having the standing and the authority to speak on behalf of the private health sector in this country and available to contribute in wide ranging health related issues.

Method

The Public Affairs Manager must continue to take the lead in maintaining close media relationships on a national and state-by-state basis and especially with the Press Gallery at Parliament House.

The *Reporters Revealed* feature in the magazine has been particularly effective, not only in introducing the major health reporters to our readership but in developing an interest among journalists in appearing in the publication with their own stories and views on health.

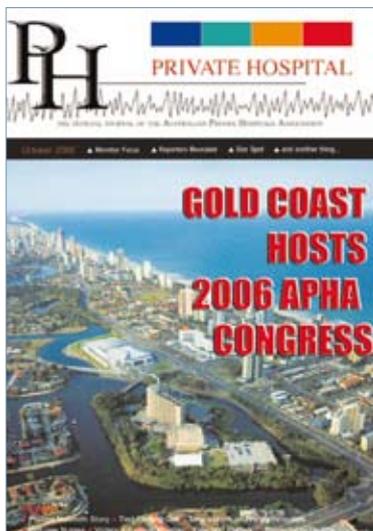
The Executive Director, the Director of Policy and Research and Public Affairs Manager are regularly in contact with the Federal Health Minister's office with contact also on a regular basis with the Shadow Health Minister and her senior staff.

Target Groups

APHA will increase its lobbying targets to include local politicians and also local media in specific (especially marginal) electorates.

The general target groups include:

- Federal, State and Territory Governments and politicians – including Ministers, MPs/Senators, MLAs/MLCs, and the respective Health Departments. Local 'grass roots' politicians will be particularly targeted to arm them with issues affecting their areas.
- Medical specialists and their peak groups – GPs, surgeons, nurses, anaesthetists, pathologists, physiotherapists, psychiatrists, etc. (including the Australian Medical Association, Royal Australasian College of Surgeons and Royal Australian and New Zealand College of Anaesthetists, etc.). Regular contact has already commenced between the Public Affairs Manager, the A.M.A., the College of Nursing, the Pharmacy Guild and Medicines Australia.
- Health funds – through the AHIA. Regular contact with the Executive Director of AHIA has already been established by his counterpart at APHA. The Public Affairs Manager is in the process of initiating more frequent contact with AHIA through the *Private Hospital* magazine.



- National and Local Media – More direct contact with national and local media through the Press Gallery in Canberra and local newspapers, television and radio stations. This must be co-ordinated through APHA members within the local region to raise issues and develop more media contact. Media ‘events’ can be managed through the APHA if required.
- The broader community – including consumer groups and the general public. This should include a breakdown of services in geographical locations, and an analysis of their importance to metropolitan, regional and rural areas. Another area to pursue is patients – satisfied patients – as advocates. This is already underway following discussions with a major private hospital group.

Other areas of communication

The weekly news sheet continues to give members immediate access to APHA news and industry web sites.

Email messaging will also keep members informed on communication issues whenever issues arise.

Media Releases are also sent out when a news event is considered news worthy, especially during the annual APHA Congress.

Action Updates

APHA Action Updates have proved very successful – these were held in Perth, Adelaide, Sydney and Brisbane with information and feed back sessions conducted by APHA President, Christine Gee, Vice-President, Richard Royle and Executive Director, Michael Roff and sponsored by Hesta.

It is intended that these be continued over the coming twelve months.



Private Hospital magazine's readership increasing in circulation and scope of readership – including increasing political stories relevant to the APHA readership.

Media:

- Media Releases as required
- Some contact with Press Gallery and specialist reporters
- Increased contact with specialist reporters.
- Increased availability of President and Executive Director to comment on health related issues.

On their own, each of these initiatives has already delivered impressive outcomes. But combined in a multi-layered, concerted and complementary communications program, they embody a powerful and highly successful multi-faceted communications strategy which has delivered key messages to target audiences, achieved resonance for those messages and influenced and effected changes in attitudes, behaviours, decisions and choices.

This Public Affairs focus has generated demonstrable achievements in creating and maintaining an astute, strategic communications program that delivers new political, media and community traction; has elevated the contribution and increasing role of private hospitals as mainstream health care providers and has engaged members and stakeholders in a proactive value-adding way. □



Michael Roff and Paul Mackey meet with Federal Human Services Minister, Senator Chris Ellison



Attendees at the Action Update meeting

APHA Committees

Internal Committees

The Australian Private Hospitals Association (APHA) maintains several internal committees to assist in the provision of advice and direction in specialist areas.

Many thanks are due to members, each of whom contributed information, ideas and their own time on a range of important issues facing the private hospital sector. A summary of the activities of individual committees follows.

Executive Committee

The Executive Committee met on a regular basis, guiding activities between Board meetings. The Executive Committee had principal carriage and responsibility to develop the APHA Strategic Plan during the year.

- Christine Gee [Chair]
- John Amery
- Peter Catts
- Leon Clark
- Michael Coglin
- Andrew Currie
- Pat Grier
- Denis Hogg
- Richard Royle
- George Toemoe

Finance and Audit Committee

The Finance and Audit Committee oversees the financial management of the Association. The Committee reports on a regular basis to the Board on the financial status of the APHA and also makes recommendations to the Board in relation to future membership levies, annual budgets and financing issues.

- George Toemoe [Chair]
- Christine Gee
- Andrew Currie
- Josef Czyzewski
- Moira Munro
- Stephen Walker
- Andrew Weston

Industry Promotion & Marketing Committee

The Industry Promotion and Marketing Committee provides input and guidance on issues relating to profile development, promotion and strategic

positioning of the APHA and the private hospitals sector.

During the year the Committee reviewed the APHA/Baxter Awards for Quality and Excellence, and substantially revised the award categories and criteria. The Committee also overhauled the program for the 2007 APHA Congress.

The following APHA Board Directors comprised the Industry Promotion and Marketing Committee during 2006-07.

- Andrew Currie [Chair]
- Robyn Ashe
- Steve Atkins
- Peter Catts
- Christine Gee (*ex officio*)
- Craig McNally
- Moira Munro

Policy and Advocacy Committee

The Policy and Advocacy Committee is responsible for developing and recommending policy and advocacy positions to the APHA Board.

In 2006-07 the Committee's activities were structured around the articulation of the new strategic directions developed by the APHA Board into achievable actions. The Committee also focused on a range of key issues, including: private patients in public hospitals; private health insurance reforms; the contracting environment; the prostheses arrangements; and health workforce initiatives.

The following Directors of the APHA Board comprised the APHA Policy and Advocacy Committee in 2006-07:

- Richard Royle [Chair]
- Christine Gee (*ex officio*)
- John Amery
- Dr Leon Clark
- Dr Michael Coglin
- Pat Grier
- Denis Hogg
- Leith MacMillan
- Claire Michalanney

Safety and Quality Committee

The Safety and Quality Committee assists and advises the APHA Board in its leadership role of the

private hospitals sector with regard to quality and safety. During the year, the Committee pursued the coordination and enhancement of quality and safety in the private hospital sector as a key priority.

The Committee liaised extensively with key national and State organisations including, the Australian Commission on Safety and Quality in Health Care (ACSQHC) and the Australian Council on Healthcare Standards, to ensure that the views and interests of the private hospitals sector are considered in the development and implementation of all initiatives, programs, services and products of relevance to the quality and safety of services.

Several members of the Committee were successfully nominated to join the Private Hospitals Sector Committee which has been established by the ACSQHC as its principal source of advice on private sector issues. This Committee is chaired by National President Christine Gee in her capacity as a Commissioner on the ACSQHC.

The following members comprised the Safety and Quality Committee during 2006-07:

- Christine Gee [Chair]
- John Amery
- Maree Bellamy
- Dr Leon Clark
- Dr Michael Coglin
- Denis Hogg
- Sue McKean
- Leith MacMillan
- Stephen Walker

Psychiatry Committee

The Psychiatry Committee comprises a representative from each State and is Chaired by the Psychiatry representative on the APHA Board. In addition to its advice to the APHA Board, the Committee also provides input to APHA's representatives on the Private Mental Health Alliance (PMHA). The Chair of the Private Mental Health Consumer and Carer Network is a permanent observer on the Committee.

Committee activities during the year were guided by its Workplan and included: a thorough assessment of issues relating to the Centralised Data Management

System; providing input into the review of the National Standards for Mental Health Services, and ongoing consultation around accreditation issues for private mental health facilities. During the year, the Committee provided input to a number of national consultations.

During 2006-07 the following members comprised the Psychiatry Committee.

- Christine Gee [Chair]
- Sue Feeney
- Moira Munro
- Tina Sinclair
- Chris Tanti
- Carol Turnbull
- Andrew Weston

APHA National Private Rehabilitation Group

The APHA National Private Rehabilitation Group comprises representatives from States with private rehabilitation beds and is chaired by the Rehabilitation representative on the APHA Board.

Activities during the year were focussed around moving towards standardising the program nomenclature and admission guidelines for rehabilitation services; and issues relating to the Australasian Rehabilitation Outcomes Centre (AROC).

The APHA NPRG also continued to engage and work constructively with other stakeholders through the Consultative Committee on Private Rehabilitation which draws its representation from private hospitals, private health insurance funds, the Australian Faculty of Rehabilitation Medicine, consumers, the Department of Veterans' Affairs and the Department of Health and Ageing.

The following representatives comprised the APHA National Private Rehabilitation Group during the year.

- Robyn Ashe [Chair]
- Robin Copeland
- Bronwyn Mace
- Rodney Nissen [part of year]
- Bruce Pickering
- Campbell Telford



External Committees

The APHA continues to be represented on a wide range of external committees. These include:

- AHIA E-Health Industry Strategy Committee
- Australian Clinical Costing Casemix Committee
- Australian Council on Healthcare Standards
- Australian Commission on Safety and Quality in Health Care
- Australian Hospital Statistics Advisory Committee
- Coding Standards Advisory Committee
- Community Services and Health Training Australia
- Consultative Committee on Private Rehabilitation
- Enhanced Medical Education Advisory Committee
- Health Data Standards Committee
- Health Infrastructure Assurance Advisory Group
- Health Policy Roundtable
- Highly Specialised Drugs Working Party
- Medicare Australia Stakeholder Advisory Group
- National Centre for Classification in Health, Management Advisory Committee
- National Day Surgery Council
- National Health Performance Committee
- National Mental Health Workforce Advisory Committee
- National Prescribing Service
- National Procedure Banding Committee
- Private Mental Health Alliance
- Prostheses and Devices Committee
- Prostheses Policy Advisory Group
- Second Tier Benefits Advisory Committee
- Standards Australia Committees

Member Services with Goran Josifovaki



As some of you are already aware, I have recently taken over the role of Member Services Manager at the APHA. I have previously held similar roles in the Financial Services and ICT sectors. I have enjoyed the beginning of my tenure at APHA immensely and would like to take this opportunity to thank the small but very capable team at APHA for allowing me to settle in so quickly. It is an exciting time for the Association and I am determined to assist my team mates in delivering the goals and objectives of the APHA.

As noted in the President's Report, "APHA's membership reflects the diversity of the sector". This diversity ultimately means that members will have differing requirements and expectations of what APHA's suite of member services should include. The challenge for the APHA is to balance the wants of the membership with the Association's ability to deliver the right services and ensure maximum benefit to all APHA members.

Your membership dues provide the APHA with the capacity to deliver such services. In addition, the monetary support from our Associates and Sponsors boosts the pool of resources we have to better serve members' needs. The growth in the number of Associates, along with the maintenance and further expansion of hospital members, will certainly be one of the focus areas for APHA in 2007-2008. A new Platinum Associate category has been introduced to assist in driving this growth.

The Association would like to ensure that all members are aware of the services, benefits and cost savings available to them. APHA encourages members to contact the secretariat if they may have any questions about the services financial members are eligible for. A list of the membership services provided by the Association is included below.

I would like to stress the determination and willingness of the APHA secretariat to deliver our value proposition to you, the members. The APHA is here to serve your collective interests.

Thank you for your support in 2006-2007

APHA Member Services

Information and Advice from APHA Staff

- Your hospital staff can directly contact APHA staff to obtain free advice, information and intelligence on all private hospital matters and issues. This service is available every working day of the year.

APHA National Congress & Conferences

- Discounted registration fees for all APHA conferences, including the annual APHA National Congress.
- Opportunities to present at plenary sessions, as part of the APHA National Congress.
- Discounted travel and accommodation for the APHA National Congress.

Private Hospital Magazine

- Yearly subscription to *Private Hospital* magazine, distributed six times a year (February, April, June, August and October, December) to staff of your choice.
- The magazine has been redeveloped as a vehicle for promoting what private hospitals and day surgeries are doing. Stories on pioneer treatments, philanthropic undertakings, world and Australian firsts, human interest stories, redevelopments/expansions and new services, etc., are welcome from all members for all editions. The magazine is distributed to all Federal and State/Territory politicians, key stakeholder groups, mainstream media, specialist health media, and others.

APHA News Service

- Weekly updates and briefs distributed by e-mail, in the *APHA News Service*.

Members Only Bulletins

- Special information and advice for members, as issues of importance arise.

APHA Media Clipping Service

- Discounted subscription to the weekly APHA Media Clipping Service for private hospitals (the cost to members is \$15.87 per week– to engage media monitoring services can cost around \$25,000.00 per year). This is an ideal way to ensure executive staffers receive up-to-date, comprehensive media information relevant to the private hospital sector.

APHA Information Paper Series

- Free subscription to the APHA Information Paper Series – *Quarterly APHA Update* (usual cost to non-members is \$825.00 per year).

Hospital, Medical & Aged Care Buyer's Directory

- Complimentary subscription to the official, APHA endorsed, A-Z cross-referenced, full-colour guide to purchasing products and services across the health care sector.

APHA Action Updates

- Two per year. Action Updates provide valuable information to members on a variety of issues and subject areas, while also providing important face-to-face feedback from members to the APHA executive team.

Prominent Acknowledgment on APHA literature and website

- Each member hospital and day surgery is included in an online national and State by State break down of member facilities. This quick index denotes hospital details such as address, contact numbers, and the specialty services provided.
- Members are also acknowledged in APHA literature including the Annual Report.

Access to the Members Area of the APHA Website

- This password-protected section of the website contains useful resources for the information of members only, including: Corporate Directory, Public Affairs materials, Policy and Research developments, and details on each of the APHA Committees.

Annual APHA/Baxter Awards for Quality & Excellence

- The APHA/Baxter Awards are sponsored by Baxter Healthcare and are designed to recognise outstanding achievement in Australian Private Hospitals.

Nomination in the APHA/Baxter Awards helps identify your hospital as an industry leader, create recognition for your hospital's community work, boost employee morale and celebrate your achievement over the last year. Categories include:

- Clinical Excellence – quality of care & patient outcomes
- Ambulatory Care – acute, day surgery, psychiatric or rehabilitation
- Employee of the Year
- Community Award – recognising work with and in your local community

Use of APHA Logo

- Each APHA member is entitled to display/use a special version of the APHA logo, upon request, in promotional materials – subject to terms and conditions.

National Procedure Banding Schedule

- APHA compiles and distributes the National Procedure Banding Schedule, classifying the Medicare Benefits Schedule items into theatre bands for charging purposes. It is an essential tool for every private hospital and day surgery centre. It is accessible via a hard-copy print-out version, as well as a diskette version, appropriate WINDOWS

or DOS based database or spreadsheet applications, or through the subscription sub-site on the APHA's website home page.

- Hard-copy/disk versions are available to APHA members for \$165.00 per year. The website option is free to APHA members. An authorisation password is necessary to access the NPBS via the Internet.

Exclusive Commercial Services

- Using the purchasing power of the Association, the expertise of APHA staff and the administrative infrastructure, the APHA has built a range of commercially valuable services exclusively for the benefit of members. Current services include:
 - 12% rebate on QANTAS domestic travel and 6% discount on QANTAS international travel through APHA QANTAS Travel Rebate Scheme.
 - Special Corporate Membership Rate – QANTAS Club.
 - Special corporate rates on Hertz hire cars throughout Australia and the world including complimentary membership to Hertz #1 club.
 - The Accor Business Travel Program offers APHA members up to a 25% discount on room rates at 750 selected Accor Hotels across Australia, the Asia Pacific Region and the rest of the world.
 - Heavily discounted rates for APHA members for the Recall SDS DeStroy service.

Profiles and contact details for the APHA National Secretariat Staff

All APHA staff are contactable on:
Tel: (02) 6273 9000; Fax: (02) 6273 7000

Michael Roff
Executive Director
Email: Michael.roff@apha.org.au

Michael is the Chief Executive of APHA. Members should feel free to contact Michael on any issue relating to the management or activities of APHA.

Paul Mackey
Director, Policy and Research
Email: paul.mackey@apha.org.au

Members are encouraged to contact Paul with questions on all private hospital matters, health insurance, Commonwealth and State legislation, industry data or any other health-related issues.

Russ Street
Public Affairs Manager
Email: russ.street@apha.org.au

Russ is the Editor for *Private Hospital* magazine which has a national readership of 15-20,000 including the media, politicians and the health sector.

Goran Josifovski
Member Services Manager
Email: goran.josifovski@apha.org.au

Members can contact Goran to ensure that they are taking advantage of all the membership services we offer and getting return on their investment with the APHA. Feedback on our services and suggestions on improving the APHA on behalf of the members should also be directed to Goran in the first instance.

Kathryn Lee
Finance Manager
Email: Kathryn.lee@apha.org.au

Members should contact Kathryn if they have a query in relation to APHA invoices for membership fees or other subscriptions such as media clippings and NPBS.

Lucy McCarthy
Office Manager
Email: lucy.mccarthy@apha.org.au

Lucy is the first point of contact for members at the APHA office. □

2006 APHA Congress 'Best Ever'



Keynote speaker Mark Avery

Outgoing APHA President, Leon Clark described it as 'the best Congress ever', a view that was shared by many delegates who attended this year's APHA National Congress at Jupiter's on the Gold Coast.

For the first time, the program included a pre-Congress session for Day Surgeries, chaired by the Business Development Manager of Montserrat Day Hospitals, Leith McMillan. The session focussed on the highly topical issue of risk management.

The theme of the 2006 APHA National Congress was

"Preparing for Tomorrow: the Way Ahead". A diverse range of presentations from 30 speakers were linked together under this unifying theme, supported by a strong focus on quality and safety.

Keynote speaker Mark Avery set the tone for the Congress with his two presentations on the reforms underway and planned to the United Kingdom's National Health Service (NHS) and, in particular, the response of the private sector. Mark Avery is a former Australian private hospital CEO who now heads a private hospital in London.

Mark profiled the private sector in the UK which consists of:

Medical/surgical hospitals:	51% for profit; 19% not-for-profit; 30% NHS pay bed units
Medical/surgical beds:	63% for profit; 24% not-for-profit; 13% NHS pay bed units
Mental health hospitals/units:	93% for profit; 7% not-for-profit
Mental health beds:	89% for profit; 11% not-for-profit
Independent Sector Treatment Units:	21 centres open; a roll-out of 11 networks and schemes planned for the first quarter of 2007.

The UK reforms are projected to lift activity sharply in the private sector with utilisation expected to increase from 1.1 million patients in 2004 to around 1.6 million patients by 2008. Unlike Australia, where the large increase in private sector activity occurred as a result of the 30% rebate for private health insurance and Lifetime Health Cover, the growth in the UK is expected to be driven by purchasing/contracting by the NHS.

Patients funded by the NHS are predicted to grow from around 10% of all patients treated in the private sector now to around 50% by 2010. Mark noted that these arrangements will occur under a 'Concordat' between the NHS and private providers which will include the commissioning of services around a 'tariff' with payment by results rewarding efficient providers.

Mark also profiled the private health insurance sector in the UK. Around 12.5% of the UK population is covered by private health insurance, including 9% provided by employers, which is a growing part of the sector.

Changes on the near term horizon in Australia in the form of the Broader Health Cover reforms to private health insurance were canvassed from the perspectives of private hospitals, private health insurers and the medical profession. This session provided a lively exchange of perspectives with all presenters supporting the concept of Broader Health Cover but each expressing notes of caution. Dr Leon Clark listed APHA's key concerns as:

- The 15 month hiatus before the 'uniform' quality and safety regime is introduced;
- The exact nature of this 'uniform' quality and safety regime; and
- Little evidence that the Department of Health and Ageing has a clear grasp of the current accreditation system.

"A diverse range of presentations from 30 speakers were linked together under this unifying theme, "Preparing for Tomorrow: the Way Ahead" supported by a strong focus on quality and safety."



Dr Diana Horvath

MBF's Dr Christine Bennett argued that for Broader Health Cover to work, we need:

- Patients to want the choice and understand the 'limits';
- Doctors to consider care options and assist in implementation;
- health insurers to ensure the value proposition for members (substitution, economics, safety and quality);
- Health care providers – current and new – are fundamental; and
- Government to open the way to innovation with realistic expectations in terms of cost and timeframes.

The AMA's John O'Dea expressed concern that we may be approaching Round 2 of managed care and cautioned that:

- It is essential that private health insurers do not get further into the driver's seat in health care;
- Decisions about type of treatment, location of treatment and price of treatment should be made by providers with their patients; and
- We need to watch the implementation of the reforms carefully.

The future of quality and safety was the focus of the afternoon sessions of Day 1 of the Congress. Richard Bartlett of the Department of Veterans' Affairs described the Department's pay-for-performance program that has been introduced following its recent national tender. He noted that early outcomes indicated that the program had much potential to reduce average length of stay and increase patient satisfaction.

The CEO of the Australian Commission on Safety and Quality in Health Care, Dr Diana Horvath, provided

delegates with an overview of the work of the Commission and, in particular, how the Commission will engage with the private sector. Dr Horvath announced to delegates that the Commission has resolved to establish a Private Hospitals Committee of the Commission that, while Terms of Reference are yet to be developed, would:

- Liaise with the Commission on key safety and quality issues affecting the private sector;
- Provide feedback and input on the work of the Commission;
- Work in partnership with the Commission to pursue a safety and quality agenda; and
- Consider how the quality and safety aspects of agreements between private hospitals and health insurers can be standardised.

Dr Horvath also advised delegates that the Commission is undertaking a substantial piece of work on accreditation that is likely to shape the accreditation system of the future.

The current accreditation system was the focus of the final session for the day with presentations from accreditation providers (ACHS and ISO) and private hospitals and day facilities each of which provided differing perspectives and resulted in a lively and informative session.

Day 2 of the Congress featured interactive concurrent sessions in the areas of mental health, rehabilitation and ambulatory care which canvassed a wide variety of topics including: the work of the APHA Psychiatry subcommittee (Christine Gee); the future of the industry mental health forum, the SPGPPS (Maira Munro); a report on the rehabilitation outcomes data collections (Frances Simmonds); the 2nd tier default benefit arrangements (several speakers); and an innovative rehabilitation project in an APHA member hospital (Dr Steve de Graaff).

“ The Commission has resolved to establish a Private Hospitals Committee. ”



Michael Roff

The key issues around the future of the health workforce were addressed from several perspectives. The Commonwealth's chief advisor on medical workforce reform, Professor Rick McLean, canvassed the possible expansion of medical training in the private sector, while Rosemary Bryant assessed the expansion of the training of nurses in the private sector. Rosemary also examined the possible development of new types of health workers to meet the future needs of patients and the health system. John Amery profiled nurse practitioners

and questioned whether they are overqualified and overpaid while Hendrika Johnston briefed delegates on the cultural education of overseas trained nurses.

As is traditional, the Congress closed with a Roundtable discussion which featured a wide-ranging exchange of views on several near and medium term issues, including the options available for funding of capital expenditure and new technology. The contributions from the panellists Pat Grier (Ramsay Health Care), Denis Hogg (Epworth Foundation), Dr Peter Catts (Independent Private Hospitals of Australia), Dr Christine Bennett (MBF), John O'Dea (AMA) and Darryl Harkness (Johnson & Johnson) and the participation of the audience ensured that this was a lively and informative ending to the Congress.

Forty six exhibitors also attended the 2006 Congress which included Baxter Healthcare, Thelma, BOC Medical, IBM, Hesta Super Fund, Kimberley-Clark Healthcare, St Jude Medical and Paul Hartmann.

And already plans are underway for the 27th APHA Congress which will be held next October, in Melbourne.

The Executive Director of the APHA, Michael Roff said he was extremely pleased at this year's Congress.

"I think you can judge the success of the Congress this year by the feed-back from delegates and exhibitors.

"That has been very positive with everyone attending certainly getting something out of the event and we all look forward to the next Congress in Melbourne" he said. □

APHA/Baxter Awards Presented During 26th Annual Congress on the Gold Coast



Winners – Sydney Adventist Hospital representatives receive award

The Sydney Adventist Hospital at Wahroonga won the prestigious APHA/Baxter Hospital Award for Clinical Excellence for hospitals over 70 beds at a glittering ceremony on the Gold Coast.

The hospital was recognised for its work in the provision of clinical treatment and demonstrated excellence in patient care throughout the entire hospital operation.

The Executive Director of the Australian Private Hospitals Association, Michael Roff said by winning the award, the hospital had shown a continuing commitment to the provision of quality care, achieving best practice outcomes for patients, staff and the community.

He said this was further highlighted by the hospital being awarded 4 years accreditation with 23 of the total criteria, set by the Australian Council for Health Care Standards, at Extensive Achievement level, a result matched by only a very select group of hospitals around Australia.

“The hospital has excelled at providing services and technology to meet the changing needs of its community.

“The judges for this award found evidence of this through innovative services such as Hospital in the Home, multi-million dollar investment in new and upgraded facilities along with the latest in technology including a new flat plate technology Cardiac Catheter Laboratory, Greenlight Laser.

“This award also recognises the work of the staff

throughout the hospital that puts so much work and commitment into providing exemplary patient care” Mr Roff said.

The Wesley Private Hospital in Brisbane received a Highly Commended Award for Clinical Excellence in the same category.

The Wesley is a 462 bed private hospital at Toowong which provides a wide range of comprehensive clinical services to almost 50,000 patients and their families each year.

The award recognised the implementation of a comprehensive clinical governance framework at the hospital to provide safe and evidence based quality healthcare through innovation and partnership with visiting medical practitioners.



Runners-up – Wesley Private Hospital representatives receive award

The Montserrat Day Hospitals took out the award for Clinical Excellence, Ambulatory Care Centre.

The hospitals, in the Brisbane suburbs of Spring Hill, Indooroopilly and Gaythorne, won the award for developing a program for colonic polyp, colorectal surveillance and assessment of Doctor Performance through a new in house developed software system.



Award winners – Montserrat Day Hospitals representatives

In its submission for the award, the hospital's Executive Director, Dr Peter Stephenson said the program aims to set a new standard in service delivery, clinical governance and an achievable approach to benchmark directly, Doctor's performance.

He said approximately 1 in 20 Queenslanders will, if not screened, develop colorectal cancer with the risks dependent on age and family genetic risk factors.

"Virtually all colorectal cancers begin as colonic polyps which can be identified at colonoscopy and removed, curtailing the polyp to cancer sequence.

"If a cancer does develop, its prognosis is dependent on how early it is detected" Dr Stephenson said.

He said colonoscopic screening and surveillance in a well organised screening and surveillance program offer the best opportunity of reducing morbidity and mortality from colorectal malignancy.

Sydney's St Vincent's Private Hospital and Ringwood Private Hospital in Melbourne shared the Team Award for Clinical Excellence.

St Vincent's Private won for its Orthopaedic Clinical Outcomes Program.

It's team for the project included hospital and community-based



Award winners – St Vincent's Private Hospital representatives



clinicians, managers and educators, allied health professionals, senior medical officers and of course patients.

Judges for the award found there had been a significant improvement in patient milestone outcomes, a reduction in the percentage of patients being transferred to in-patient rehabilitation facilities when not clinically indicated and a significant reduction in the length of stay.

They also found enhanced patient education regarding their hospitalisation and treatment including more awareness by patients regarding their hospital experience and a greater involvement of the patient in care planning and delivery.

The Ringwood Private Hospital won for its Pastoral Care Program.

Team members, Emil Nevin and Fay Lea-Smith undertook the project at Ringwood Private to determine the pastoral care needs of patients at the hospital.



Award winners – Ringwood Private Hospital representatives

Outcomes have included increasing and consistent demand for pastoral care by patients and their families and more awareness in the local community of the program.

Funding for the initial project was provided by Church based organisations but has since been taken over by the hospital following

the permanent appointment of the Pastoral Care Coordinator, Emil Nevin, at the completion of the trial.

Ringwood Private was the first hospital to develop such a program for a Pastoral Care Coordinator in Australia.

Three other facilities, two in Victoria and another in New South Wales have since taken up the program as a direct result of the success of the Ringwood project. □





APHA Board Representatives

Elections for the APHA National Board are conducted in October each year.

The following represents the membership to the APHA Board up to 11 October 2006.

Representing Not For Profit/Large Groups

Richard Royle
UnitingCare Health Group

Denis Hogg
Epworth Foundation

Representing Not For Profit Small Groups/Large Independent

Leon Clark
Sydney Adventist Hospital

George Toemoe
St Luke's Care

Representing Not For Profit/Small Independent

Andrew Weston
The Hobart Clinic

Representing For Profit/Large Groups

Steve Atkins (from 9 August 2006)
HealthCare Australia

Josef Czyzewski
Healthscope Ltd

Bruce Dixon
Healthscope Ltd

Pat Grier
Ramsay Health Care Australia Pty Ltd

Christopher Rex
Ramsay Health Care Australia Pty Ltd

Representing For Profit Small Groups/Large Independent

Peter Catts
Independent Private Hospitals of Australia

Representing For Profit/Small Independent

Andrew Currie
Vimy House Private Hospital

Claire Michalanney
Sportsmed SA

Representing Rehabilitation Hospitals

Robyn Ashe
Ramsay Health Care Australia Pty Ltd

Representing Psychiatric Hospitals

Christine Gee
Toowong Private Hospital

Representing Ambulatory Care

Leith MacMillian
Montserrat Day Hospital

Regional Board Members

John Amery Queensland
Stephen Walker South Australia
Maira Munro Western Australia

The following represents the membership to the APHA Board from 11 October 2006, following the 2006 elections.

Representing Not For Profit/Large Groups

Richard Royle
UnitingCare Health Group

Denis Hogg (to 8 February 2007)
Epworth Foundation

Alan Kinkade (from 9 March 2007)
Epworth HealthCare

Representing Not For Profit Small Groups/Large Independent

Leon Clark
Sydney Adventist Hospital

George Toemoe
St Luke's Care

Representing Not For Profit/Small Independent

Andrew Weston
The Hobart Clinic

Representing For Profit/Large Groups

Steve Atkins
Health Care Australia

Josef Czyzewski
Healthscope Ltd

Michael Coglin
Healthscope Ltd

Bruce Dixon
Healthscope Ltd

Pat Grier
Ramsay Health Care Australia Pty Ltd

Craig McNally
Ramsay Health Care Australia Pty Ltd

Representing For Profit Small Groups/Large Independent

Peter Catts
Independent Private Hospitals of Australia

Representing For Profit/Small Independent

Andrew Currie
Vimy House Private Hospital

Claire Michalanney
Sportsmed SA

Representing Rehabilitation Hospitals

Robyn Ashe
Ramsay Health Care Australia Pty Ltd

Representing Psychiatric Hospitals

Christine Gee
Toowong Private Hospital

Representing Ambulatory Care

Leith MacMillian
Montserrat Day Hospitals

Regional Board Members

John Amery Queensland

Stephen Walker South Australia

Moira Munro Western Australia

National Board Meetings

16 August 2006 Canberra

29 August 2006 Teleconference

11 October 2006 Gold Coast

27 November 2006 Sydney

27 February 2007 Canberra

22 May 2007 Sydney

The APHA Board met six times over the course of 2006/2007.

Director	Board Meetings	
	Number of Meetings Attended	Number of Meetings Held*
John Amery	5	6
Robyn Ashe	6	6
Steven Atkins	1	6
Peter Catts	6	6
Leon Clark	6	6
Michael Coglin	3	6
Andrew Currie	4	6
Josef Czyzewski	0	6
Bruce Dixon	1	6
Christine Gee	6	6
Pat Grier	2	6
Denis Hogg	3	4
Alan Kinkade	1	1
Leith MacMillian	3	6
Craig McNally	1	4
Claire Michalanney	5	6
Moira Munro	3	6
Christopher Rex	0	2
Richard Royle	3	6
George Toemoe	5	6
Stephen Walker	4	6
Andrew Weston	5	6

* Reflects the number of meetings held during the time the director held office during the year

Summary of Financial Statements

The APHA financial result for the year ended 30 June 2007 was \$117,356 (2006: \$253,282). This sound financial result was attained by an increase in revenue and by careful monitoring and allocation of expenditure for strategic activities.

Revenue for the year increased by 6.9% over 2005/2006 arising from increases in sponsorship revenue, interest received and a small increase in the number of members.

During the year the Board conducted an extensive strategic review of the Association. The increased expenses in 2006/2007 reflected the costs required

for this process and were met through increases in revenue and by ongoing and thoughtful review of consultants expenses and office and administration expenses.

The APHA Balance Sheet at the 30 June 2007 shows strong members' funds position of \$2,602,871 (2006:\$2,485,515).



George Toemoe – Chair, Finance and Audit Committee

Australian Private Hospitals Association Limited ABN 82 008 623 809

Income Statement for the Year Ended 30 June 2007

	2007 \$	2006 \$
Revenue from rendering of services	1,519,540	1,385,761
Other revenues	167,968	191,701
Total revenue	1,687,508	1,577,462
Employee expenses	(701,611)	(641,741)
Consultants	(100,713)	(124,949)
Depreciation expense	(66,879)	(60,352)
Meeting and travel expenses	(370,610)	(253,605)
Office and administration expenses	(117,628)	(141,772)
Strategic planning expenses	(65,259)	-
Other expenses	(147,452)	(101,761)
Total expenses	(1,570,152)	(1,324,180)
Profit before related income tax expense	117,356	253,282
Income tax expense	-	-
Net profit	117,356	253,282

Australian Private Hospitals Association Limited
 ABN 82 008 623 809

Balance Sheet as at 30 June 2007

	2007 \$	2006 \$
CURRENT ASSETS		
Cash	1,702,403	1,652,045
Receivables	63,274	45,424
Prepayments	15,234	10,101
Total Current Assets	<u>1,780,911</u>	<u>1,707,570</u>
NON-CURRENT ASSETS		
Property, plant and equipment	1,159,737	1,192,788
Total Non-Current Assets	<u>1,159,737</u>	<u>1,192,788</u>
TOTAL ASSETS	<u>2,940,648</u>	<u>2,900,358</u>
CURRENT LIABILITIES		
Payables	265,318	366,077
Provisions	58,182	39,171
Total Current Liabilities	<u>323,500</u>	<u>405,248</u>
NON-CURRENT LIABILITIES		
Provisions	14,277	9,595
Total Non-Current Liabilities	<u>14,277</u>	<u>9,595</u>
TOTAL LIABILITIES	<u>337,777</u>	<u>414,843</u>
NET ASSETS	<u>2,602,871</u>	<u>2,485,515</u>
MEMBERS' FUNDS		
Reserves	200,000	200,000
Retained profits	2,402,871	2,285,515
TOTAL MEMBERS' FUNDS	<u>2,602,871</u>	<u>2,485,515</u>

Australian Private Hospitals Association Limited
 ABN 82 008 623 809

Statement of Cash Flows for the Year Ended 30 June 2007

	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts in the course of operations	1,431,540	1,314,560
Cash payments in the course of operations	(1,453,799)	(1,152,145)
Interest received	106,445	92,413
Net cash provided by operating activities	<u>84,186</u>	<u>254,828</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(33,829)	(26,437)
Sale of property, plant and equipment	-	573
Net cash used in investing activities	<u>(33,829)</u>	<u>(25,864)</u>
Net increase/(decrease) in cash held	50,357	228,964
Cash at the beginning of the financial year	1,652,045	1,423,081
Cash at the end of the financial year	<u>1,702,402</u>	<u>1,652,045</u>

Statement of Recognised Income and Expense for the Year Ended 30 June 2007

	2007 \$	2006 \$
Income and expense recognised directly in equity	-	-
Profit for the period	117,356	253,282
Total recognised income and expense for the period	<u>117,356</u>	<u>253,282</u>

APHA Organisational Structure



Michael Roff
Executive Director



Paul Mackey
*Director, Policy
and Research*



Russ Street
*Public Affairs
Manager*



Goran Josifovski
*Member Services
Manager*



Kathryn Lee
Finance Manager



Lucy McCarthy
*Administration
Assistant*



APHA Members

Adelaide Clinic	Canberra Surgicentre	Camberwell
Adelaide Day Surgery	Canossa Private Hospital	Essendon Private Hospital
Adelaide Eye and Laser Centre	Cape Hawke Community Private Hospital	Eye-Tech Day Surgeries
Adori Day Surgery	Castle Hill Day Surgery	Eye-Tech Day Surgeries Southside
Aesthetic Day Surgery	Castlecrag Private Hospital	Figtree Private Hospital
Albert Road Clinic	Centre for Digestive Diseases	Frances Perry House
Albury Day Surgery	Chesterville Day Hospital	Friendly Society Private Hospital
Albury Wodonga Private Hospital	City West Day Surgery	Fullarton Private Hospital
Allamanda Private Hospital	Cliveden Hill Private Hospital	Geelong Private Hospital
Allamanda Surgicentre	Coffs Harbour Day Surgical Centre	Glenelg Community Hospital Inc
Allowah Presbyterian Children's Hospital	Como Private Hospital	Glenelg Day Surgery
Alwyn Rehabilitation Hospital	Coolenberg Clinic	Glenferrie Private Hospital
Armidale Private Hospital	Cooloola Community Private Hospital	Glengarry Hospital
Attadale Private Hospital	Cotham Private Hospital	Greenslopes Private Hospital
Avenue Day Surgery	CPAS - Jean Colvin Private Hospital	Griffith Rehabilitation Hospital
Baringa Private Hospital	Dalcross Private Hospital	Hamilton House Day Surgery
Bega Valley Private Hospital	Dandenong Eye Clinic & Day Surgery Centre	Hamley Bridge Memorial Hospital
Beleura Private Hospital	Darwin Private Hospital	Hartley Dialysis Centre
Bellbird Private Hospital	Delmont Private Hospital	Healthwoods Specialist Centre
Belmont Private Hospital	Diagnostic Endoscopy Centre	Hillcrest - Rockhampton Private Hospital
Berkeley Vale Private Hospital	Donvale Rehabilitation Hospital	Hirondelle Private Hospital
Bethesda Hospital	Dorset Rehabilitation Centre	Hobart Day Surgery
Blackwood & District Community Hospital Inc	Dubbo Private Hospital	Hobart Private Hospital
Bondi Junction Private Hospital	Dudley Orange Private Hospital	Hollywood Private Hospital
Brindabella Endoscopy Centre	Eastern Heart Clinic	Holroyd Private Hospital
Brisbane Private Hospital	Elsternwick Private Hospital	Hopetoun Rehabilitation Hospital
Brisbane Waters Private Hospital	Epping Surgery Centre	Hornsby Sleep and Diagnostic Centre
Buderim Gastroenterology Centre	Epworth Eastern Hospital	Hunter Valley Private Hospital
Burnside War Memorial Hospital	Epworth Freemasons Hospital	Hunters Hill Private Hospital
Burwood Endoscopy Centre	Epworth Hospital	Insight Clinic
Cairns Private Hospital	Epworth Rehabilitation Brighton	Ivanhoe Private Rehabilitation Hospital
Caloundra Private Hospital	Epworth Rehabilitation Hospital	
Canberra Eye Hospital		

John Fawkner Moreland Private Hospital	Mayo Private Hospital	North West Private Hospital
John Flynn - Gold Coast Private Hospital	Melbourne Day Surgery	Northern Endoscopy Centre
Joondalup Health Campus	Melbourne Private Hospital	Northpark Private Hospital
Kahlyn Private Hospital	Metropolitan Rehabilitation Hospital	Northside Clinic
Kareena Private Hospital	Metwest Surgical	Northside Cremorne Clinic
Kew Private Dialysis Centre	Mitcham Private Hospital	Northside West Clinic
Kings Park Day Hospital	Monash Surgical Private Hospital	Nowra Private Hospital
Knox Private Hospital	Montserrat Day Hospital (Spring Hill)	Olympia Private Rehabilitation Clinic
La Trobe University Medical Centre	Montserrat Day Hospitals (Gaythorne)	One Care Ltd
Lady Davidson Private Hospital	Montserrat Day Hospitals (Indooroopilly)	Ophthalmic Surgery Centre (North Shore)
Lake Macquarie Private Hospital	Mosman Private Hospital	Orange Day Surgery Centre
Lambton Road Day Surgery	Mount Gambier Private Hospital Inc.	Pacific Private Hospital
Lawrence Hargrave Hospital	Mount Hospital	Parkwynd Private Hospital
Lidia Perin Memorial Hospital	Mount Wilga Private Hospital	Payneham Dialysis Centre
Linacre Private Hospital	Mountain District Private Hospital	Peel Health Campus
Lingard Private Hospital	Murray Valley Private Hospital	Pendlebury Clinic Private Hospital
Linley Clinic	Nagambie Hospital Inc	Peninsula Eye Hospital
Lithgow Community Private Hospital	Nambour Selangor Private Hospital	Peninsula Private Hospital
Liverpool Day Surgery	National Capital Private Hospital	Peninsula Private Hospital
Logan Endoscopy Services	Nepean Private Hospital	Pennant Hills Day Endoscopy Centre
Logan Surgery Centre	New Farm Clinic	Perth Clinic
Longueville Private Hospital	Newcastle Plastic Surgery Day Centre	Pindara Day Procedure Centre
Macarthur Private Hospital	Newcastle Private Hospital	Pindara Private Hospital
Maitland Private Hospital	Noosa Hospital	Pine Rivers Private Hospital
Malvern Private Hospital	North Eastern Community Hospital	Pittsworth & District Hospital
Manningham Day Procedure Centre	North Gosford Private Hospital	Pittwater Day Surgery
Maroubra Day Surgery	North Shore Private Hospital	Poplars Private Hospital
Maryvale Private Hospital	North West Brisbane Private Hospital	Port Macquarie Private Hospital
Masada Private Hospital		Prince of Wales Private Hospital
Mater Misericordiae Hospital Townsville Ltd		QFG Day Theatres
		Regional Imaging Riverina

Ringwood Private Hospital	St Vincent's Private Hospital	The Wesley Hospital Townsville
River City Private Hospital	Stirling District Hospital	Toowong Private Hospital
Riverland Private Hospital	Stonnington Day Surgery	Toowoomba Surgicentre
Roderick Street Day Surgery	Strathfield Private Hospital	Toronto Private Hospital
Sach Day Surgery	Sunnybank Private Hospital	Townsville Day Surgery
Shellharbour Private Hospital	Sunshine Coast Haematology & Oncology Clinic	Tweed Day Surgery
Shepparton Private Hospital	Sutherland Heart Clinic Pty Ltd	Victor Harbour Private Hospital Inc
Sir John Monash Private Hospital	Sydney Adventist Hospital	Victorian Rehabilitation Centre
Skin and Cancer Foundation Australia	Sydney Haematology and Oncology Clinic	Vimy House Private Hospital
Solander Day Surgery	Sydney IVF Limited	Vista Laser Eye Clinics NSW
South Burnett Community Private Hospital	Sydney Oculoplastic Surgery	Waikiki Private Hospital
South Eastern Private Hospital	Sydney Southwest Private Hospital	Wandene Private Hospital
South Pacific Private Hospital	T & G Day Surgery Unit	Wangaratta Private Hospital
South Perth Hospital	Tamara Private Hospital	Warley Hospital
Southern Day Surgery	The Avenue Hospital	Warners Bay Private Hospital
Southern Districts War Memorial Hospital	The Bays Hospital Group	Warringah Mall Day Surgery
Southern Highlands Private Hospital	The CAPS Clinic	Warrigal Private Hospital
Southern Suburbs Day Procedure Centre	The Digestive Health Centre	Waverley Private Hospital
Southline Eye Surgery Centre	The Geelong Clinic	Wesley Private Hospital
Spendelove House	The Hills Private Hospital	Western Hospital
Sportsmed SA Hospital	The Hobart Clinic	Western Private Hospital
St Andrew's - Ipswich Private Hospital	The Melbourne Clinic	Western Suburbs Endoscopy Services
St Andrew's Hospital	The Palm Beach Currumbin Clinic	Westmead Private Hospital
St Andrew's Toowoomba Hospital	The San Day Surgery Hornsby	Westmead Rehabilitation Centre
St Andrew's War Memorial Hospital	The Sunshine Coast Private Hospital	Wollongong Day Surgery
St George Private Hospital	The Sydney Clinic	Wolper Jewish Hospital <input type="checkbox"/>
St Helen's Private Hospital	The Sydney Private Hospital	
St Luke's Care	The Valley Private Hospital	
St Stephen's Private Hospital - Maryborough	The Victoria Clinic	
	The Wales Day Centre	
	The Wesley Hospital	

Diamond Sponsor

Baxter

Baxter Healthcare

Baxter Healthcare's reputation for the development of sterile technologies and the quality production of IV therapies started 75 years ago.

Today Baxter Healthcare continues to innovate and influence medical science via the development of vaccines, biopharmaceuticals and critical therapies for conditions such as cancer, kidney disease and hemophilia. What sets us apart is our dedication to making a meaningful difference in patients' lives.

Baxter has been part of the health industry in Australia for over 40 years and New Zealand for more than 30 years. Our vision is to be a leader in the Australian and New Zealand health sector, working with governments, hospitals and industry associations to provide specialty therapeutics and medical devices that save and sustain patients' lives.

The Company employs approximately 800 people in this region and has made a significant investment in excess of \$200 million in Australian manufacturing and the ANZ health sector.

Our Healthcare Solutions team work with both public and private health sectors tailoring business-to-business packages specifically designed to address individual customer needs.

By incorporating the entire Baxter family of businesses, including the Medication Delivery, Renal and Bioscience Divisions, the Healthcare Solutions team can deliver a flexible and innovative business solution, linked to a clinical support and production plan.

Baxter Healthcare Solutions - Putting the pieces together



Major Sponsors



Kimberley Clark

Kimberly-Clark has always offered our healthcare customers products they can rely on and so much more. Our level of customer care is unmatched in the industry, with utilisation reviews to help customers streamline their operations and with accredited KNOWLEDGE NETWORK[®] educational programs. We help customers keep pace with important trends and improve compliance in their areas of speciality.

Now we're taking our customer-centered approach to a new level:

- Focus on major clinical issues
- Build on customer insights to anticipate needs

Our objective is to deliver breakthrough solutions to help prevent, diagnose and manage major issues in three clinical areas:

- Healthcare-Associated Infections (HAIs)
- Surgery
- Digestive Health

Customers' needs will be met through the knowledge, expertise and consultative approach of the Kimberly-Clark sales team and through a company-wide commitment to provide best-in-class service. Trusted Clinical Solutions.



HESTA Super Fund

HESTA Super Fund is your health and community services industry fund. With 550,000 members and over \$9 billion in assets, HESTA's size delivers a number of benefits to members, including: increased portability when you change jobs, quality education and advice about super and fees amongst the lowest in the industry.

At HESTA we are not just about delivering strong returns. We are committed to supporting the health and community services industry that has supported us so well.

As a fund, HESTA takes its responsibility to provide information and advice to members very seriously and we work to help you feel more confident in your decisions about super.

HESTA continues to strive to provide strong investment returns, provide quality services to members and to support health and community services, all for one of the lowest fees in the industry. And with HESTA, you do not pay one cent in sales commissions to financial planners.

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HESTA Super Fund Reg No R1004489 For more information about HESTA, call 1800 813 327 for a copy of our Product Disclosure Statement which should be considered when making a decision about the Fund. Investments can go up or down. Past performance is not necessarily a reliable indicator of future performance. You should consider whether this product is appropriate for you.



IBM – Healthy Outcomes™

In a hospital, so much hinges on having the right information at the right time. Without it, serious errors can occur, jeopardising patient outcomes and hospital reputations. Every stage, every activity carries or generates important information. With easier access to the right information, clinicians can give more accurate diagnoses, provide better treatment and create healthier outcomes. The concept is so simple, but until recently no more than a pipedream.

IBM has extensive experience in information integration and creating smart technology solutions to put information at people's fingertips. We have worked with the healthcare industry all over the world, providing everything from consulting to solution design and implementation. We always aim to provide the most robust, powerful and reliable solutions to significantly improve and enable delivery of care and clinical outcomes. And IBM holds more patents than any other technology supplier, proof of our commitment to keep pushing boundaries to provide our clients solutions that will make a positive impact on their business.

St Jude Medical Australia

St Jude Medical Australia is dedicated to partnering with our customers and each other to make life better through excellence in cardiac medical device technology and services. St. Jude Medical enjoys a leading position in the markets we serve around the world.

- The 2005 Medical Device & Diagnostic Industry Manufacturer of the Year
- The 2006 Best Managed Health Care Equipment & Services Company by Forbes Magazine
- The 2006 # 2 ranked Medical Products & Equipment Company by Fortune Magazine

St. Jude Medical Australia is headquartered in Sydney with sales offices in Queensland and Victoria and local staff in South Australia and West Australia.

We are committed to providing the best products and service across our Cardiac Surgery, Cardiology, Cardiac Rhythm Management and Atrial Fibrillation divisions. All of us at St. Jude Medical Australia would like to thank the member hospitals of APHA for your support.



BOC medical

At BOC Medical the emphasis is on working closely with health care professionals, providing clinical leadership in the application of medical gases.

BOC Medical provides a dedicated and committed healthcare team to the medical and homecare markets. Hospitals, ambulance services, surgeries, emergency departments and patients in their homes rely on BOC Medical to provide them with the most technologically advanced medical gases and cylinder solutions, as well as providing a wealth of clinical information and training to help save lives and improve patient outcomes.

BOC Medical provides a range of services from high-tech gas reticulation systems for hospitals through to personalised home care via the OxyCare network, providing convenient, patient-friendly oxygen therapy.

BOC Medical is proud to be sponsoring APHA and thank their loyal customers for their support.

Tyco Healthcare Australia

Tyco Healthcare Australia is a supplier of innovative medical devices and associated services across Australia and New Zealand.

Tyco Healthcare represents the successful consolidation of leading international healthcare technology companies including Kendall, Sherwood Davis and Geck, Auto Suture, Valleylab, Radionics, Mallinckrodt, Graphic Controls, Devon, Dexide and Origin.

Our commitment is to provide the highest level of product supply, service, support and education to healthcare professionals and their patients. Tyco Healthcare provides what is arguably the broadest range of medical devices and services in Australia and New Zealand. Tyco Healthcare's heavy investment in internal research and development across all product portfolios will see the continued availability of many new innovative medical device products.

Working in partnership with healthcare institutions and key distributors, Tyco Healthcare provides products and services for all levels of patient care including acute care, aged care, community care, home based care, pharmacy and retail.

Our products and services extend to dental, sports medicine and veterinary customers.

A young and energetic company, Tyco Healthcare Australia will continue to build a professional team that is focused on delivering the individual needs of all our customers. We will attract and retain dedicated employees who are committed to providing the highest levels of service in the industry.



THELMA

THELMA has been helping the Australian health industry for the last 7 years.

THELMA assists hospitals, doctors and health funds improve a range of administration processes including eligibility checking, informed financial consent, hospital accommodation claims, inpatient medical claims & outpatient medical claims.

THELMA delivers significant cost savings and other business benefits to hospitals, such as improved cash flow, admission and billing process improvement, plus happier staff and patients.

For more information about how THELMA can help your organisation, please go to www.thelma.com.au or call 02 9247 2111



BD Profile

BD (Becton, Dickinson and Company) is a global medical technology company that is focused on improving drug therapy, enhancing the diagnosis of infectious diseases and advancing drug discovery. BD serves healthcare institutions, life science researchers, clinical laboratories, industry and the general public.

Through these products, we reach to fulfill our purpose:

Helping All People Live Healthy Lives.

BD manufactures and sells medical supplies, devices, laboratory instruments, antibodies, reagents and diagnostic products through its three segments:

BD Medical is a leading supplier of hypodermic needles and syringes, infusion therapy devices, insulin injection, and prefillable drug-delivery systems for pharmaceutical companies. Its product offerings include the industry's broadest, deepest line of safety-engineered sharps products, as well as surgical and regional anesthesia, ophthalmology, critical care, and sharps disposal products.

BD Diagnostics offers system solutions for collecting, identifying and transporting specimens; advanced instrumentation for quickly and accurately analyzing specimens; and services focused on customers' process flow, supply chain management, and training and education.

BD Biosciences, one of the world's largest businesses supporting the life sciences, provides tools and reagents to study life - from normal processes to disease states - and to accelerate the pace of biomedical discovery.



PAUL HARTMANN Pty Ltd

PAUL HARTMANN Pty Ltd is the Australasian subsidiary of leading international medical and health care company, The Hartmann Group, with operations in 39 countries worldwide.

HARTMANN is committed to being the leading provider of customer solutions in the hospital sector across the areas of woundcare and incontinence management. In Australia, PAUL HARTMANN Pty. Ltd. distributes a wide and ever increasing range of modern and traditional woundcare products, therapeutic bandages and tapes and an extensive range of continence management products.

As part of the offer to customers, Paul Hartmann seeks to work with all health care professionals to provide ongoing education and training and achieve the optimum result for our business partners.



Johnson & Johnson

Johnson & Johnson is the world's most comprehensive and broadly based manufacturer of health care products as well as provider of related services for the customer, pharmaceutical and medical and diagnostics markets.

In Australia, Johnson & Johnson Medical is the leading supplier of medical devices. Our business includes brands such as ASP, Cordis, DePuy, Ethicon and Ethicon Endosurgery. Our products cover a wide spectrum of devices, ranging from sutures and wound management products to neurovascular, endovascular and cardiology equipment and orthopaedic products such as hips, knees, fingers and shoulder implants. □



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GE Healthcare Australia
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Health Industry Plan
Medtronic Australasia Pty Ltd
QML Pathology
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