



OFFICE OF HEALTH REVIEW

ANNUAL REPORT

2005 / 2006

Statement of Compliance



HON. JIM MCGINTY MLA
MINISTER FOR HEALTH

In accordance with Section 66 of the *Financial Administrative and Audit Act 1985*, we hereby submit for your information and presentation to Parliament, the Annual Report of the Office of Health Review for the financial year ending 30 June 2006.

The Annual Report has been prepared in accordance with the provisions of the:

Disability Services Act 1993;
Electoral Act 1907;
Equal Opportunity Act 1984;
Financial Administrative and Audit Act 1985;
Freedom of Information Act 1992;
Health Services (Conciliation and Review) Act 1995;
Public Sector Management Act 1994; and
Government and Ministerial Annual Reporting Policies.

Linley Anne Donaldson
DIRECTOR

30 August 2006

HEALTH AND DISABILITY COMPLAINTS
Level 12/7 St. Martins Tower, 44 St. Georges Terrace, Perth, WA 6000. GPO Box 1861, Perth, WA 6838.
Telephone: (08) 9323 0600. Facsimile: (08) 9221 3675. Country Free Calls: 1800 812 583.
E-mail: officehealthreview@health.wa.gov.au. Website: www.healthreview.wa.gov.au

Annual Report Questionnaire

The content and presentation of our Annual Report was developed to meet your needs and requirements. We would be grateful if you would spend a few minutes responding to this questionnaire. We would also value any additional suggestions and comments you have, which may be relevant to the preparation of future Annual Reports.

You may respond by:

Completing the form and returning it to us at GPO Box B61, PERTH, WA 6838

OR

**Telephoning your answers to this office on (08) 9323 0600 or
(country free call) 1800 813 583 and our staff will assist you**

OR

e-mail to officehealthreview@health.wa.gov.au

Please rank the following statements, where

1 = Strongly Agree; 2 = Agree; 3 = Disagree and 4 = Strongly Disagree

| Statement | 1 | 2 | 3 | 4 |
|--|----------|----------|----------|----------|
| The Annual Report was presented in a format that was easy to read. | | | | |
| The content of the Annual Report was concise and easy to understand. | | | | |
| The Annual Report contained sufficient information. | | | | |
| The Annual Report highlighted the key issues of relevance about the Office of Health Review. | | | | |
| Reading the Annual Report gave me a better understanding of the role and functions of the Office of Health Review. | | | | |
| The graphs and tables were valuable in illustrating the content of the Annual Report. | | | | |
| The Performance Indicators were useful in assessing the performance of the Office. | | | | |
| The Financial Statements were useful in understanding the financial position of the Office. | | | | |
| The case studies were informative and interesting to read. | | | | |

What improvements/suggestions would you recommend for future Annual Reports?

*Thank you for taking the time to complete this questionnaire.
Your feedback is invaluable to us and will be reviewed and used when
preparing for future Annual Reports.*

Contact Details

Contact can be made in person, over the telephone, by e-mail, through the Internet or in writing. All complaints will have to be confirmed in writing, and we can help you with this if required. Complaint forms are available on our website or by contacting us:

Street Address:

Level 12, St Martin's Tower
44 St George's Terrace
PERTH WA 6000

Office Hours

8.30am – 4.30pm

Postal Address

GPO Box B61
PERTH WA 6038

Telephone

(08) 9323-0600

Freecall (Country WA only)

1800-813-583

Facsimile

(08) 9221-3675

E-mail

Officehealthreview@health.wa.gov.au

Website

<http://www.healthreview.wa.gov.au>

Inside this Report

This report describes the functions and operations of the Office of Health Review and presents the financial statements and performance indicators for the year ending 30 June, 2006. The report also provides information about our work and activities undertaken during the year in dealing with and resolving complaints about health and disability service providers.

TABLE OF CONTENTS

| | |
|---|-----------|
| GLOSSARY | 1 |
| ABOUT US | 3 |
| INTRODUCTION | 3 |
| OUR MISSION..... | 3 |
| OUR VISION..... | 3 |
| VALUES AND PRINCIPLES..... | 4 |
| OUR POWERS..... | 4 |
| DIRECTOR'S REPORT | 5 |
| HIGHLIGHTS OF THE YEAR | 7 |
| COMPLAINTS OPERATIONS..... | 7 |
| <i>Review of complaints process</i> | 7 |
| <i>Video conferencing for rural complaints</i> | 7 |
| <i>Project to streamline management of prison health complaints</i> | 8 |
| COMMUNITY OUTREACH | 9 |
| <i>Awareness presentations</i> | 9 |
| <i>Rural accessibility & awareness</i> | 9 |
| <i>Disadvantaged groups</i> | 10 |
| <i>Indian Ocean Territories (IOT's)</i> | 10 |
| <i>Documentation</i> | 10 |
| <i>Website – online lodgement</i> | 10 |
| <i>Newsletter</i> | 11 |
| <i>Media enquiries and articles</i> | 11 |
| <i>Survey forms</i> | 11 |
| CORPORATE OPERATIONS | 14 |
| OFFICE OF HEALTH REVIEW – ORGANISATIONAL CHART AS AT 30 JUNE, 2005..... | 14 |
| OVERVIEW OF COMPLAINTS WE RECEIVED THIS YEAR | 15 |
| CLOSED COMPLAINTS..... | 16 |
| ACTIVE COMPLAINTS THROUGH THE YEAR 2005-06..... | 16 |
| DISTRIBUTION OF ACTIVE COMPLAINTS..... | 17 |
| AGE ANALYSIS OF ACTIVE COMPLAINTS..... | 17 |
| WHO COMPLAINS TO THE OFFICE OF HEALTH REVIEW?..... | 18 |
| GEOGRAPHICAL LOCATION..... | 18 |
| ANALYSIS OF CLOSED COMPLAINTS..... | 19 |
| ENQUIRIES OUT OF JURISDICTION..... | 19 |
| WRITTEN COMPLAINTS..... | 19 |
| COMPLAINTS REJECTED..... | 20 |
| COMPLAINTS REFERRED..... | 20 |
| WRITTEN COMPLAINTS ACCEPTED..... | 21 |
| COMPLAINTS AGAINST PROVIDER..... | 21 |
| MEDICAL PRACTITIONERS..... | 22 |
| PUBLIC HOSPITALS BY SPECIALITIES..... | 22 |
| ISSUES..... | 23 |
| MAJOR ISSUES BY PROVIDER CATEGORIES..... | 23 |
| MAJOR ISSUES BY TEACHING HOSPITAL..... | 24 |
| MAJOR ISSUES BY NON-TEACHING HOSPITALS..... | 25 |
| MENTAL HEALTH COMPLAINTS..... | 26 |
| PRISON COMPLAINTS..... | 26 |
| FREEDOM OF INFORMATION STATISTICS 2005-06..... | 28 |

| | |
|---|-----------|
| DISABILITY COMPLAINTS | 32 |
| ANALYSIS OF DISABILITY COMPLAINTS | 32 |
| <i>What provider types do people complain about?</i> | 33 |
| <i>Who complains?</i> | 33 |
| <i>What issues do they complain about?</i> | 34 |
| <i>What outcomes do we achieve?</i> | 34 |
| DISABILITY COMPLAINTS - THE YEAR IN REVIEW | 35 |
| AMENDMENTS TO THE HEALTH SERVICES (CONCILIATION AND REVIEW) ACT 1995 | 35 |
| AMENDMENTS TO THE DISABILITY SERVICES ACT 1993 | 35 |
| PUBLIC AWARENESS | 36 |
| <i>Disability Complaints Network</i> | 36 |
| <i>Conciliated outcomes in disability complaints</i> | 36 |
| <i>National Disability Abuse and Neglect Hotline</i> | 36 |
| INDIAN OCEAN TERRITORIES | 37 |
| STATUTORY REPORTING | 37 |
| GOAL 1 – PEOPLE AND COMMUNITIES | 37 |
| OBLIGATORY REPORTING | 38 |
| <i>Disability Access and Inclusion Service Plan outcomes</i> | 38 |
| <i>Cultural diversity and language services outcomes</i> | 38 |
| <i>Youth outcomes</i> | 38 |
| GOAL 2 – THE ECONOMY | 38 |
| GOAL 3 – THE ENVIRONMENT | 39 |
| <i>Waste paper recycling</i> | 39 |
| <i>Energy Smart Government Policy</i> | 39 |
| GOAL 4 – THE REGIONS | 39 |
| <i>Regional Development Policy</i> | 39 |
| GOAL 5 – GOVERNANCE | 40 |
| <i>Coordinated, integrated high quality service delivery to the community</i> | 40 |
| <i>Whole of Government approaches to planning, decision-making and resource allocation</i> | 40 |
| <i>Effective partnerships with Federal and Local Governments, the private sector and the wider community</i> | 40 |
| <i>Greater community confidence in the processes and actions of government agencies through effective independent oversight and reporting</i> | 40 |
| OBLIGATORY REPORTING | 41 |
| <i>Equal employment opportunity outcomes</i> | 41 |
| <i>Evaluations</i> | 41 |
| <i>Information statement</i> | 41 |
| IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE REVIEW OF THE OHR | 42 |
| CARERS RECOGNITION ACT 2004 - (CARERS RECOGNITION ACT) | 46 |
| FINANCIAL STATEMENTS | 49 |
| APPENDIX A | 72 |
| APPENDIX B | 73 |
| APPENDIX C | 74 |
| APPENDIX D | 76 |
| APPENDIX E | 83 |

GLOSSARY

| | |
|----------------------------------|--|
| Assessment: | The process to identify the nature of a complaint and to make enquiries to determine, “whether and to what extent...” to accept, reject, or refer a complaint and recommend suitability for conciliation or other. |
| Carer: | A person who is a carer as defined in section 4 of the <i>Carers Recognition Act 2004</i> in relation to a user. |
| Complainants: | A user of the health or disability service or their representative. |
| Conciliation: | An informal process between willing parties designed to provide an opportunity to resolve a dispute, which is facilitated by the Office of Health Review in an impartial manner. |
| Conciliator: | A person to whom the task of conciliation is allocated or assigned. |
| Director: | A person appointed as Director to the Office of Health Review. |
| Epidemiological research: | Population research. |
| Excluded service: | A health service that is provided without remuneration in a rescue or emergency situation. |
| Health Department: | has the meaning given to Department of Health by Section 3 of the <i>Health Legislation Administration Act 1984</i> ; |
| Health Service: | A service provided by way of: <ul style="list-style-type: none">(a) diagnosis or treatment of physical or mental disorder or suspected disorder;(b) health care, including palliative health care;(c) a preventive health care program, including a screening or immunisation program; and(d) medical or epidemiological research, and includes any:<ul style="list-style-type: none">(e) ambulance service;(f) welfare service that is complementary to a health service;(g) service coming within paragraph (a), (b) or (c) that is provided by a person who advertises or holds himself or herself out as a person who provides any health care or treatment; and(h) prescribed service,but does not include an excluded service. |
| Industrial Tribunal: | <ul style="list-style-type: none">(a) The Australian Industrial Relations Commission; or(b) The Western Australian Industrial Relations Commission under the <i>Industrial Relations Act 1979</i> and each constituent authority under that Act. |
| Investigation: | can only be initiated by the Director and is a process of examination of matters relating to a specific complaint about health and/or disability services, to determine whether unreasonable conduct occurred. |
| Member of the staff: | an officer or person referred to in Section 14 or 15 and any person whose services are used under Section 16; as per the Health Services (Conciliation and Review) Act 1995. |
| OHR: | The Office of Health Review established by Section 6(1) of the <i>Health Services (Conciliation and Review) Act 1995</i> and the functions and powers of the Director in Section 10 of the Act are attached as Appendix B. |
| Provider: | In relation to a health service, includes the carrying out of medical or epidemiological research. |

| | |
|-----------------------------|--|
| Provider: | <p>Includes:</p> <ul style="list-style-type: none"> (a) an individual or a group of individuals or a body that renders or provides any health service; (b) a person who manages or is the chief executive of: <ul style="list-style-type: none"> (i) a body by which or an institution in which any health service is rendered or provided; or (ii) a body or institution that provides a health service and that is prescribed or belongs to a class that is prescribed for the purposes of this paragraph; (c) the chief executive officer of the Health Department in respect of any health services provided or rendered by persons carrying out the functions of the Health Department, but not including a health service provided or rendered in a public hospital under the <i>Hospitals and Health Services Act 1927</i>; (d) a body or a group of individuals that provides a health service and that is prescribed as a provider; and (e) an individual or group of individuals or a body that provides a health service and that is included in a class that is prescribed as providers. |
| Public provider: | A provider that represents the Crown, and includes any person acting on behalf of a representative of the Crown. |
| Registered provider: | A person licensed, registered or certificated by a registration board. |
| Registration Board: | A body that is listed in Schedule 1 of the <i>Health Services (Conciliation and Review) Act 1995</i> . Appendix E |
| User: | <p>A person who:</p> <ul style="list-style-type: none"> (a) uses or receives a health or disability service; or (b) is the subject of medical or epidemiological research, but a person is not within this definition merely because he or she has arranged a health or disability service for a user. |

ABOUT US

The Office of Health Review (OHR) is an independent State Government Statutory Authority established to deal with complaints about health and disability services. We provide a free service to all users of health and disability services in Western Australia.

INTRODUCTION

The OHR was established in 1996 to deal with health complaints under the *Health Services (Conciliation and Review) Act 1995* (Health Services Act). Our role was expanded in 1999 to include enquiries into complaints about disability services. These complaints are dealt with under Part 6 of the *Disability Services Act 1993* (Disability Services Act). We also accept complaints from carers about a service provider failing to comply with the Carers Charter as set out in the *Carers Recognition Act 2004* (Carers Recognition Act).

Our Mission

Contribute to the improvement in the delivery of health and disability services through the impartial resolution of complaints, respecting the rights of consumers and providers, and enhancing consumer and provider awareness.

Our mission statement reflects that we are part of a larger matrix of services working towards the improvement of health and disability services within Western Australia.

Our Vision

Creating pathways to resolutions.

This encompasses our commitment to assisting parties in actively exploring options through conciliation to find pathways to resolution that are accepted by them.

The following can further encompass this:

Rights

- Consumers and providers have certain rights as set out in the legislation and we strive to protect these.

Responsibilities

- Consumers and providers both have the same responsibilities – to act in good faith, to disclose all information that is relevant and to actively participate in the resolution process.

Recognised

- People know what their rights are and how to access the resolution process.

Respected

- People are able to exercise their rights and do so with faith in the resolution process.

Protected

- People have redress when their rights are not respected during the resolution process.

Values and Principles

Our values and principles that guide us in all aspects of our working relationships are:

- Impartial:** Resolving complaints and dealing with stakeholders in an independent, unbiased, objective and non-discriminatory manner.
- Integrity:** Conducting business in an honest and trustworthy way, respecting the rights and views of stakeholders.
- Professional:** Acting responsively and reasonably, providing procedural fairness, treating matters in confidence, maintaining high standards of quality in work outputs and treating stakeholders with respect.
- Accessible:** Being approachable and available to all groups in the community, all providers, and other bodies, which the office deals with (eg. advocates, Registration Boards, Health Department, Disability Services Commission, other government agencies, other complaint bodies etc).
- Accountable:** Operating in a transparent way with decisions and advice supported by clear and objective reasons.

Refer to Appendix C.

Our Powers

The OHR has the power to deal with health and disability complaints, the majority of which are handled through the conciliation process. We also have formal powers of investigation. These include the power to issue a notice for the production of information and also require the attendance of a person to answer questions under oath or affirmation. The Director can also prepare a report for Parliament on any matter arising from a complaint or any of the functions of the Director. The Director has the power to make recommendations following an investigation. The provider must respond, in writing, within 45 days on what action has been taken to remedy the matter.

DIRECTOR'S REPORT

It is with great pleasure that I present the tenth annual report and my first as Director for the Office of Health Review (OHR). I have been with the Office for a period of six months in what has been a year of transition for the OHR. I congratulate the staff, who have maintained the continuity and support for consumers, providers and key stakeholders during this transition period.

The OHR provides an independent, alternative disputes' resolution avenue for health and disability complaints, as defined in the *Health Services (Conciliation and Review) Act 1995*, the *Disability Services Act 1993* and the *Cares Recognition Act 2004*. The OHR provides one avenue in a range of services to assist consumers and providers to resolve issues of disagreement, grievances and complaints. Most state and private health and disability service units have a customer liaison unit to assist in resolution of complaints. In addition there are a range of consumer advocacy and support agencies and services to assist in resolution of service delivery issues.

During the past year OHR has taken time to reflect on and review the complaints process for disability and health complaints, with the aim of providing a more timely resolution of complaints. Traditionally OHR has placed a greater emphasis on investigation of complaints through the gathering of written statements from all parties and accessing the complainants personal records held by the provider. Once this had been completed, a conference occurred.

The OHR, in the next financial year, is planning to move to early conciliation meetings with the option to investigate post conciliation if there are still matters to be resolved. This new process will be implemented in the latter part of 2006 following consultation with consumer and provider groups.

Since April this year complainants have been assisted to return to the provider to resolve issues of complaint prior to the OHR accepting the complaint. This has been well received and on average 40 people per week has opted to take this pathway. To assist complainants in resolving the matter directly with the provider an information sheet has been developed and is made available to them. The OHR is in the process of developing an information sheet for providers.

The OHR is a Perth based service making it difficult to access by rural complainants and providers. This year Videoconferencing was effectively used to conciliate a rural complaint. This approach will be further explored next financial year with health and disability providers, as it is a cost effective way of making OHR accessible to rural communities.

Prison health complaints represent 17% of the complaints handled by the OHR. Following an agreement with the Department of Corrective Services, a joint project was established this year to review the process for managing health complaints from the prisons. The purpose of the project is to review current practice for prison health complaints being referred to OHR. A key outcome being sought is to develop the potential for complaints to be resolved more directly between the complainant and the Prison Health Unit Staff with the option for the OHR to assist if the matter is unable to be resolved.

It is important to recognise and acknowledge that we live in a time of change, which brings with it complexity, dynamic opportunities and, at times, confusion for people needing to use the services within health and disability. The challenge for providers is being consumer focussed in this complex and dynamic environment, with the aim of providing a service that is safe and of a quality standard. The OHR's aim is to assist consumers and providers to understand their rights and responsibilities within the complex environment of health and disability. The OHR has a responsibility to work with key stakeholders to provide timely information that will assist in system improvements. In the annual report there are case reflections highlighting that complainants are seeking outcomes that give recognition and validation to the impact that the negative experience has had for them personally. Importantly there is frequently the additional outcome sought by complainants that focuses on positive actions being taken to improve system processes and staff skill/knowledge. A complaint will close once this latter outcome is verified.

To achieve improved communication and understanding I am committed to building effective partnerships with both consumer and provider groups to better understand the issues related to complaints and grievances within the health and disability industry. Through these partnerships I will contribute to and develop appropriate information that will better inform consumers and providers of pathways to effectively resolve grievances. The OHR is one catalyst in this process of change and I am committed to building relationships and working between different parties to ensure a continuous improvement approach. Since commencing as Director for the OHR, I have had the opportunity to meet with a wide range of consumer and provider agencies and I express my sincere thanks for their support and my appreciation for their commitment to making a difference.

To the staff at the Office of Health Review, I express my thanks for their dedication and commitment, particularly during this period of great transition.

HIGHLIGHTS OF THE YEAR

Complaints Operations

Accepted Complaints

OHR accepted 1490 new complaints and finalised 1542 complaints.

The number of open cases at the 1 July, 2005 was 308 and at the 30 June, 2006 was 268.

Review of complaints process

As part of our continuous improvement program OHR undertook a review of the intake/assessment process. One significant change has been our approach to enquiries and oral complaints received by our Assessment Officers.

Following the recent implementation of a two-team approach, as reported in our previous annual report, we have further refined our intake assessment process to improve the services we offer and to align OHR, with and suit the changing needs of, our consumers and the health and disability service environment. This approach has provided us the opportunity to allocate more of our resources to resolving the types of complaints where an adverse outcome has occurred during the provision of a service.

We found that the immediate acceptance of all complaints lodged with our office created a backlog and limited our resources. It was determined that not all complaints lodged with OHR, even when in jurisdiction, are suitable for conciliation. As a result of this and as directed by our legislation under *Section 30 of the Health Services (Conciliation and Review) Act 1995*, we have taken steps to encourage health complainants, who had not already done so, to actively approach the provider prior to lodging the complaint with the OHR. In the past four months we have informed and guided over 400 complainants to allow the provider the opportunity to respond and hopefully resolve the matter without the involvement of a third party.

Statistics relating to these complainants who were encouraged to approach the provider were not formally collected in the complaints database so there is not clear information on the number who have returned to the OHR for further assistance. This has now been rectified and more detailed information will be reported in next year's Annual Report.

As part of our community outreach strategy, to support consumers in approaching the provider with their complaint, we developed an information sheet offering advice and suggestions on approaching the provider. The positive response to this approach and our information sheet has encouraged us to produce another information sheet aimed at assisting providers to resolve matters directly with the complainant.

Video conferencing for rural complaints

This year OHR successfully conducted a complainant's conference by video link. In the next financial year OHR will explore with rural health and disability services the option of using video conferencing as a means of providing a more timely and accessible service to rural communities.

Project to streamline management of prison health complaints

The OHR in collaboration with the Department of Corrective Services has committed to develop and implement a project with the prison health units to establish agreed protocols between the agencies for resolution of prison health complaints. A proposed outcome will be timely management of complaints and the review of systemic issues related to prisoner health complaints.

The project is providing the opportunity for OHR to visit a number of the prison health units and meet with staff to discuss and review current practices for prison health complaints. The meetings are providing the opportunity for OHR understand first hand the functions of the health units and particular issues they are confronted with on a day-to-day basis.

The outcome of this project will be an agreed framework for the effective management of prison health complaints referred to the OHR.

COMMUNITY OUTREACH

With the trial appointment of an Information and Community Liaison Officer on a 12-month contract, we are happy to report on the increase in community awareness of the OHR and of projects that we have undertaken during the financial year. We are also pleased to announce that our request to create a permanent part-time position for this role is being approved and will be advertised in the coming financial year.

As this was a newly created position, following a recommendation from the Review of the Office undertaken in 2003, there was a lot of groundwork to be done to ensure that future projects had a benchmark to record continuous improvement and reflect the positive work done by staff in raising the awareness of the OHR.

Awareness presentations

This year we have conducted a number of presentations to various groups on the role and function of our Office. Our records reflect that we have averaged three to four presentations each month. Our audiences have included a range of provider groups (both public and private), community groups, prison services and tertiary (medical) students entering the health system. We have also been involved in panel discussions and participated as speakers for various health conferences.

We have facilitated a number of successful seminars, which provided an enthusiastic platform to discuss the process followed by the OHR and the relationship between the various Registration Boards. A bi-annual committee was set up consisting of OHR staff and the Registrar from the various registration boards. This committee has discussed the complementation and overlapping of our jurisdictions and the impact this has on the Boards, OHR and the parties to the complaint. This initiative proved to be a successful milestone in opening communication pathways between the Registration Boards and the OHR.

Rural accessibility & awareness

Raising the awareness of the Office within rural areas has always been difficult to achieve, as we are a small agency with limited resources. In an attempt to overcome these barriers we tackled raising awareness in rural Western Australia in a different manner. One program that we were fortunate to be involved in was the WA Country Health Service: DHAC Conference 2005 that was held in Perth earlier in the year. Our Director was invited to be a guest speaker and her presentation covered the role and functions of the Office and touched on areas where we may improve our services and accessibility for both consumers and providers within metropolitan and rural WA.

In the previous financial year we attended several country WA Expos in joint ventures with our co-located agencies. As we were not in a position to attend the Expos this year, we arranged with the State Ombudsman to display and distribute our brochures at their stall. Through this arrangement we were able to have a presence at the Wagin Woolorama Show and the North West Expo in Broome.

We also successfully facilitated a conciliation meeting via videoconference for a rural complainant and the success of this has prompted us to explore the use of video conferencing in raising the awareness of the Office in rural communities.

Disadvantaged groups

One of the objectives of our awareness campaign for 2005 was to specifically raise the awareness of the OHR amongst disadvantaged groups. In meeting these requirements the following is a list of a few of the initiatives implemented by this Office.

- Participation in Mental Health Week, co-ordinating a stall along with the Office of the Chief Psychiatrist. We also advertised in a media information kit for organisations offering services to mental health consumers.
- Participation at the Seniors Expo, with a stall run by OHR staff.
- Inclusion in “Survival Day” information packs distributed by the Department of Consumer and Employment Protection to Indigenous Australians on Australia Day.
- Inclusion in the West Australian Council of Social Services – Social Services and Solutions for Tomorrow Conference delegate handout pack.

Indian Ocean Territories (IOT’s)

In making the OHR more accessible we have also made a concerted effort to raise the awareness about the services that we offer to the communities within the Indian Ocean Territories of Christmas Island and Cocos (Keeling) Islands. In doing this, multi-lingual brochures were developed, printed and distributed to the Islands local Shires, library’s and health service centres. This project was guided by key learning’s from the Equal Opportunity Commission and with the assistance of the local shires. Whilst the number of complaints received by our Office from the IOT’s are still very small we hope that this initiative is of assistance.

Documentation

As already stated, in addition to reviewing and developing new brochures for the OHR, we undertook a project to review all material and information that is distributed from our Office. This included standardising all existing documentation and developing a series of information sheets for consumers and providers. At the conclusion of this project we established that there was a need to produce an information sheet for consumers to aid them in approaching the provider in an attempt to resolve their complaint prior to requesting the assistance of our services. Due to the positive feedback received, we are in the process of developing a supplementary information sheet offering advice to providers on complaints management and includes suggestions or factors to consider when responding to a complainant.

Website – online lodgement

A substantial project completed this financial year was the review and redesign of the OHR website. This project was initiated from the Review of the Office where it was suggested that by offering consumers the option to lodge complaints on-line we could increase our accessibility. The new website was launched at the end of February and we have received positive and constructive feedback from various stakeholders. This feedback has been the drive for us to regularly review and where necessary update the information held on our site to ensure that the site is functional and a valuable service to visitors. As part of our continuous improvement program we are able to determine the number of hits received by our site each month and how long each visitor is spending on our site. Since the launch we have roughly 1000 unique visitors to our site. All the information gathered will be used to track and trend usage of our site over the coming years. Our website will be reviewed and updated on a regular basis to ensure that the information we have available for providers and consumers is informative and of value.

Newsletter

In an endeavour to keep stakeholders up to date on issues that are relevant to the work being carried out by the OHR, we have made a concerted effort to maintain regular communication between various stakeholders and ourselves. This has been made possible through a variety of communication strategies. In addition to the awareness presentations, ad-hoc meetings, correspondence, media releases conferences and seminars we have produced an electronic newsletter, which is an effective tool to informally communicate with the community regarding procedure changes, initiatives and issues affecting the health services in Western Australia.

Media enquiries and articles

Over the year we received a number of requests from the media on issues affecting health and disability services. Due to our privacy clauses we are not always able to share information and in such circumstances we provide general information that is applicable to the issue. When non-confidential information is requested we are happy to provide this, as publicising this information can lead to the awareness and therefore improvement of services in health and disability. Several articles featuring information from and about the OHR have appeared in state newspapers and various community communications over the year.

Survey forms

We welcome and encourage providers and consumers to provide feedback and suggestions on how they believe we can improve our services to encourage and maintain a high standard of complaints management. Some feedback is received electronically via our website or directly by staff when dealing with a complaint. Our most constructive feedback is received through the complaints survey forms that are sent out to all complainants and consumers once a file is closed. The feedback we have received has been both constructive and honest which has given us the opportunity to analyse the way we work and obtain an external perception on the service we offer. Whilst most feedback has been very positive and people are supportive about our service we have also received feedback that has made us review and amend some of the processes that we follow. All this has been imperative in improving our services and ensuring that we are of value to the community. More on feedback received can be read in the provider and consumer feedback later in the report.

OHR Survey Forms – Assessment Unit Complainant

2005/06

| | Website | % | Phonebook | % | Provider | % | Brochure | % | Other | % |
|--------------------------------|---------|----|-----------|-----|----------|-----|----------|----|-------|-----|
| How did you find out about us? | 1 | 2% | 16 | 25% | 8 | 12% | 4 | 6% | 20 | 31% |

| | Strongly Agree | % | Agree | % | Disagree | % | Strongly Disagree | % | Not applicable | % |
|--|----------------|-----|-------|-----|----------|-----|-------------------|-----|----------------|-----|
| I found it easy to identify that OHR was the correct organisation for me to contact. | 20 | 31% | 28 | 43% | 9 | 14% | 5 | 8% | 0 | 0% |
| The complaint form was easy to complete. | 16 | 25% | 40 | 62% | 1 | 2% | 0 | 0% | 4 | 6% |
| The process of how the complaint would be dealt with was clearly explained to me. | 32 | 49% | 29 | 45% | 6 | 9% | 1 | 2% | 1 | 2% |
| I was given sufficient information to explain how long the resolution process might take to complete. | 17 | 26% | 26 | 40% | 17 | 26% | 1 | 2% | 1 | 2% |
| During the process I found it easy to make contact with the officer handling my complaint. | 23 | 35% | 28 | 43% | 4 | 6% | 4 | 6% | 5 | 8% |
| I felt that my complaint was handled professionally. | 24 | 37% | 25 | 38% | 9 | 14% | 6 | 9% | 0 | 0% |
| I felt that my complaint was taken seriously. | 38 | 58% | 18 | 28% | 7 | 11% | 8 | 12% | 0 | 0% |
| I was kept informed of the progress of the complaint. | 24 | 37% | 31 | 48% | 3 | 5% | 3 | 5% | 1 | 2% |
| The independent opinion was valuable in contributing to the resolution of the issues. | 5 | 8% | 15 | 23% | 7 | 11% | 5 | 8% | 22 | 34% |
| I was satisfied with the outcome of my complaint. | 10 | 15% | 19 | 29% | 12 | 18% | 19 | 29% | 2 | 3% |
| The reasons for the outcome were clearly explained to me. | 13 | 20% | 33 | 51% | 6 | 9% | 6 | 9% | 4 | 6% |
| I was satisfied with the timeliness in which my complaint was handled. | 15 | 23% | 27 | 42% | 12 | 18% | 7 | 11% | 1 | 2% |
| I believe OHR was of assistance in resolving my complaint. | 21 | 32% | 19 | 29% | 11 | 17% | 9 | 14% | 3 | 5% |
| I would have no hesitation in lodging a further complaint with OHR if the need arose. | 27 | 42% | 18 | 28% | 6 | 9% | 8 | 12% | 3 | 5% |
| I would recommend OHR to anyone wishing to resolve a complaint regarding a health and/or disability issue. | 31 | 48% | 13 | 20% | 7 | 11% | 9 | 14% | 1 | 2% |

Amount received

65

OHR Survey Forms – Assessment Unit Provider

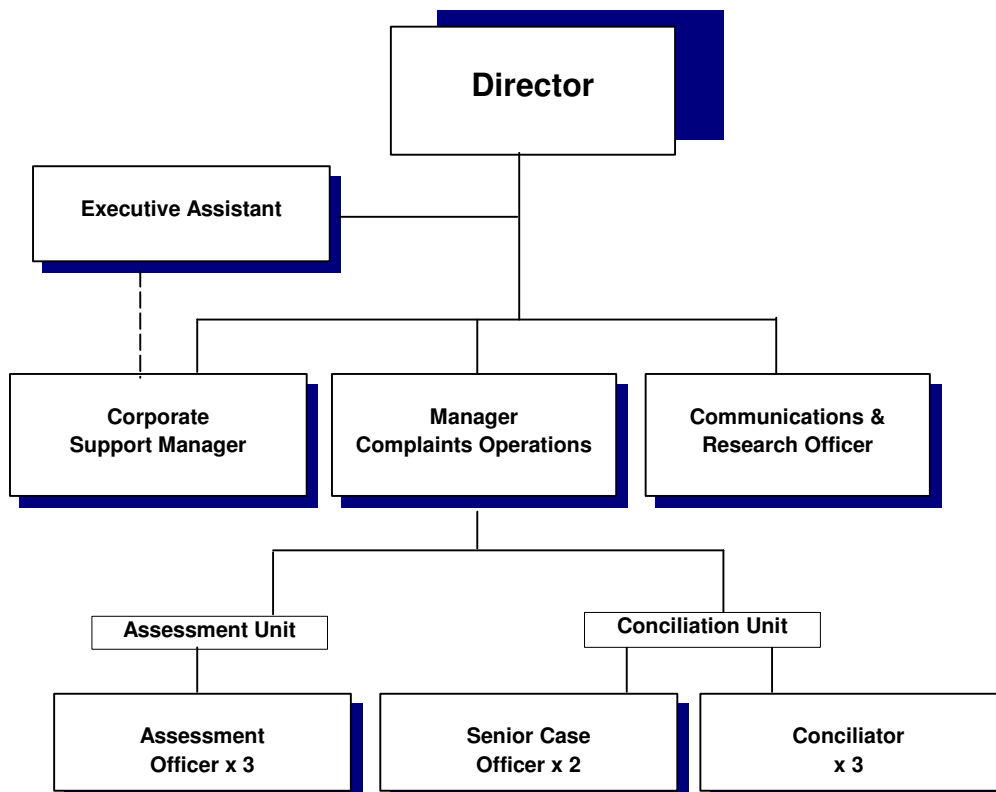
2005/06

| | Yes | % | No | % | | | | | | |
|--|--------------------|-----|-------------------|-----|-------------------|-----|-------------------|-----|----------------|-----|
| Did you know about the office prior to receiving the complaint? | 49 | 74% | 9 | 14% | | | | | | |
| Please specify how you knew about the Office. | Registration Board | % | Professional Body | % | Website/ Brochure | % | Prior complaint | % | Presentation | % |
| | 2 | 3% | 14 | 21% | 5 | 8% | 24 | 36% | 5 | 8% |
| | Strongly Agree | % | Agree | % | Disagree | % | Strongly Disagree | % | Not applicable | % |
| OHR provided clear and concise information about what was required in my response to the complaint. | 21 | 32% | 41 | 62% | 3 | 5% | 0 | 0% | 1 | 2% |
| The specific questions I was asked were appropriate/relevant in resolving the issue/s. | 20 | 30% | 41 | 62% | 2 | 3% | 0 | 0% | 1 | 2% |
| The process of how the complaint would be dealt with was clearly explained to me. | 20 | 30% | 42 | 64% | 2 | 3% | 1 | 2% | 2 | 3% |
| I was given sufficient information to explain how long the resolution process might take to complete. | 16 | 24% | 30 | 45% | 13 | 20% | 2 | 3% | 3 | 5% |
| During the process I found it easy to make contact with the officer handling the complaint. | 22 | 33% | 35 | 53% | 4 | 6% | 0 | 0% | 2 | 3% |
| I felt that the complaint was handled professionally. | 25 | 38% | 38 | 58% | 0 | 0% | 0 | 0% | 1 | 2% |
| I felt that the complaint was taken seriously. | 27 | 41% | 36 | 55% | 0 | 0% | 0 | 0% | 1 | 2% |
| I was kept informed of the progress of the complaint. | 20 | 30% | 35 | 53% | 4 | 6% | 2 | 3% | 2 | 3% |
| The independent opinion was valuable in contributing to the resolution of the issues. | 13 | 20% | 17 | 26% | 6 | 9% | 0 | 0% | 26 | 39% |
| I was satisfied with the outcome of the complaint. | 19 | 29% | 34 | 52% | 6 | 9% | 1 | 2% | 2 | 3% |
| The reasons for the outcome were clearly explained to me. | 16 | 24% | 39 | 59% | 2 | 3% | 0 | 0% | 4 | 6% |
| I was satisfied with the timeliness in which my complaint was handled. | 13 | 20% | 25 | 38% | 9 | 14% | 4 | 6% | 1 | 2% |
| I believe OHR was of assistance in resolving the complaint. | 19 | 29% | 32 | 48% | 4 | 6% | 1 | 2% | 6 | 9% |
| I would recommend OHR to anyone wishing to resolve a complaint regarding a health and/or disability issue. | 22 | 33% | 34 | 52% | 2 | 3% | 2 | 3% | 2 | 3% |
| Amount received | | | 66 | | | | | | | |

CORPORATE OPERATIONS

- Appointment of Information and Community Liaison Officer, as recommended in the Review of OHR 2003.
- OHR hosted National Commissioner's Conference. This is a national conference for all State Directors of complaints agencies similar to the OHR.
- Cabinet Submission approved to amend legislation for *Health Services (Conciliation and Review) Act 1995*. The Parliamentary Council is currently drafting these amendments.
- Appointment of a new Director to the OHR for a five-year term.
- Review of the organisational structure to align OHR to a conciliation model for complaints resolution.
- Inaugural meeting with Registration Boards to discuss processes for complaints management.

Office of Health Review – Organisational Chart as at 30 June, 2005

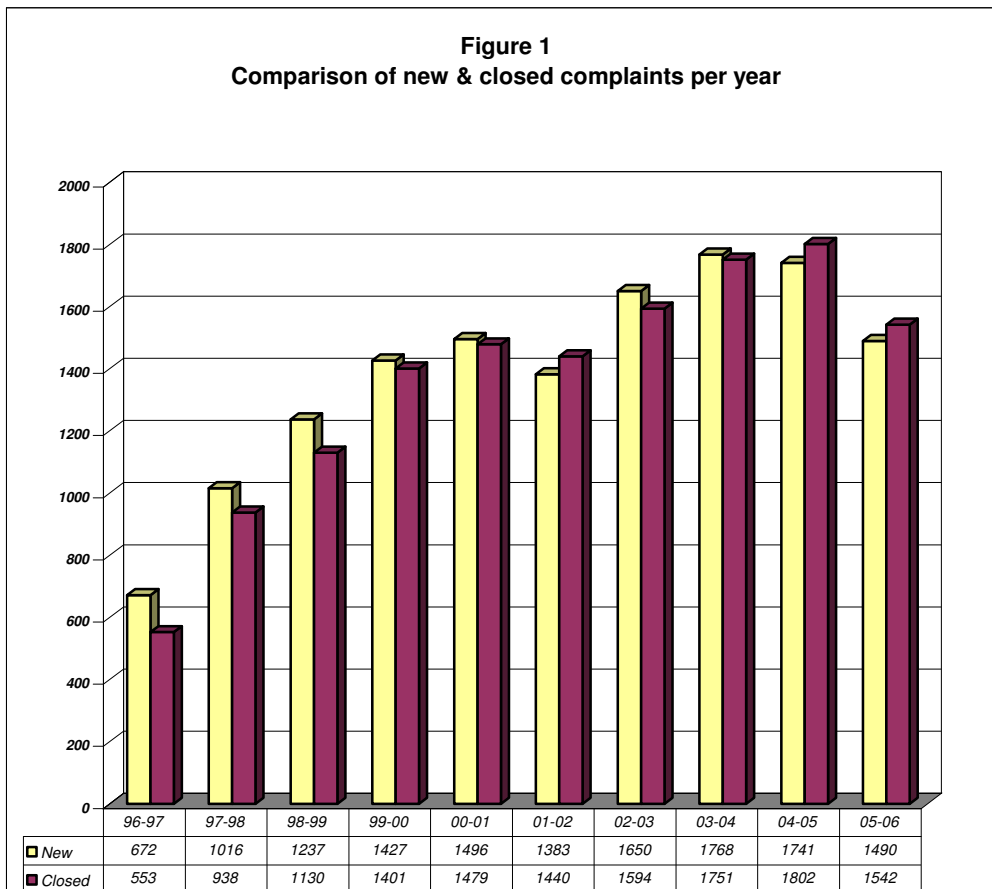


OVERVIEW OF COMPLAINTS WE RECEIVED THIS YEAR

During 2005-06 OHR accepted a total of 1490 new complaints and closed 1542 complaints as outlined in Table 1. This represents a reduction in the new complaints accepted as compared to the 2004-05 financial year. This may be a reflection of the trial that commenced in April 2006 in the Assessment Unit to support health consumers to resolve the complaint with the provider prior to formal acceptance of the complaint by OHR. It is estimated that on average during this trial period 40 consumers per week have agreed that they would like the opportunity to approach the provider directly to resolve the matter before it is formally accepted by the OHR for complaint resolution. Statistics relating to the number of people who are returning for the matter to be taken up by the OHR are currently being collated.

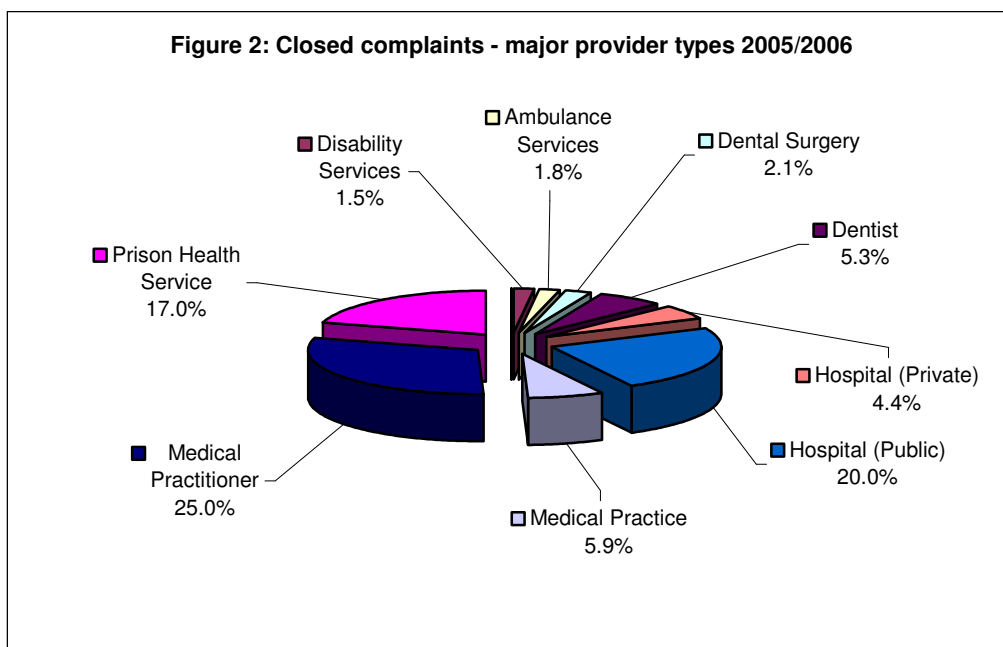
| | New Complaints | Closed Complaints |
|------------------------|----------------|-------------------|
| Health complaints | 1474 | 1518 |
| Disability complaints | 15 | 23 |
| Territories complaints | 1 | 1 |
| Total | 1490 | 1542 |

Table 1: Health and disability complaints 2005-2006



Closed Complaints

As can be seen in Figure 2, 25% of complaints are about medical practitioners and 20% are about public hospitals and 17% are from prison health service and the remainder are shared amongst a range of service providers. See Appendix A.



Active complaints through the year 2005-06

At the beginning of the year the OHR had 308 active complaints on hand and by the end of the year this figure had been reduced to 268.

| | |
|---|------|
| Active complaints at 1 July 2005 | 308 |
| New complaints received during the year | 1490 |
| Total complaints handled | 1798 |
| Complaints closed during the year | 1542 |
| Balance | 256 |
| Active Complaints as at 30 June 2006 * | 268 |
| Table 2: Workload data 2005/2006 | |

[* Note: To avoid double counting we do not count as a new complaint matters that were closed as at the end of the previous year but subsequently re-opened during the current year. Typically this involves matters where a written complaint was not actually received and the matter was closed. However, if a written confirmation of the complaint is received after 1 July of the following financial year then the matter is re-opened and further work is undertaken. This explains why the number of active complaints on hand 268 is greater than the balance as described in Table 2.]

Distribution of active complaints

During the year, the distribution of active complaints changed. As described earlier this may be a reflection of the trial that has been occurring in the Assessment Unit. As it can be seen in Table 3, the Assessment Unit reduced its number of active cases from 227 in 2004-05 to 154 in 2005-06. In the Conciliation Unit the cases increased from 81 in 2004-05 to 114 over the same period.

| | 2004-05 | 2005-06 |
|-------------------|---------|---------|
| Assessment Unit | 227 | 154 |
| Conciliation Unit | 81 | 114 |
| Total | 308 | 268 |

Table 3: Active complaints at 30 July 2006

Age Analysis of active complaints

As the data in Table 4 indicates, cases in excess of 12 months old have not reduced in this financial year. This is now under review and strategies are in place to close cases in excess of 24 months. In April 2006 the OHR commenced a review of the conciliation process with the intention that complaints accepted into conciliation will move to a conciliation meeting as soon as possible, rather than an emphasis on the gathering of written statements, which has been the practice. It is envisaged that a major and positive outcome from this change will be a reduced length of time for the parties to reach an agreed outcome.

| Complaint of age | 2004-05 | 2005-06 |
|------------------|---------|---------|
| 0-3 months | 210 | 114 |
| 6 months | 32 | 61 |
| 9 months | 15 | 32 |
| 12 months | 15 | 27 |
| 12- 18 months | 21 | 15 |
| 18 - 24 months | 10 | 5 |
| Over 24 months | 5 | 14 |
| Total | 308 | 268 |

Table 4: Age analysis of active complaints at 30 June 2006

Who complains to the Office of Health Review?

This information is not compulsory and therefore it can be difficult to get a clear indication of our client base. However Tables 5 and 6 provide information about those who have indicated their gender and age. In the 2006-07 financial year the way we seek demographic information will be reviewed with the intention of reaching a higher level of accuracy.

| Female | Male | Not Identified |
|--------|------|----------------|
| 42% | 48% | 10% |

| Table 5: Gender of consumers | |
|------------------------------|------------|
| Age Group | Percentage |
| Age 0 to 10 | 1% |
| Age 11 to 20 | 1% |
| Age 21 to 30 | 5% |
| Age 31 to 40 | 9% |
| Age 41 to 50 | 5% |
| Age 51 - 60 | 4% |
| Age 61 to 70 | 3% |
| Age 71 and over | 3% |

| Table 6: Age of consumers | |
|---------------------------|--|
|---------------------------|--|

Geographical Location

Geographical location is drawn from the postcodes of complainants or postal addresses of the consumer. As can be seen from the statistical data, the distribution of complaints from metropolitan and rural communities is relatively unchanged. There has been a slight increase in Interstate or overseas complaints. Complaints from locality unknown have remained at 9%. This year, to assist rural complainants in the resolution of complaints, video conferencing was introduced.

The number of complaints for each postcode range in rural and regional Western Australia was as follows:

| | 2004-05 | 2005-06 |
|---------------------|---------|---------|
| Metropolitan WA | 72% | 69.7% |
| Rural/Regional WA | 19% | 21% |
| Interstate/Overseas | 0.2% | 0.3% |
| Unknown | 9% | 9% |

| Table 7: Geographical location of consumers 2004-05 to 2005-06 | |
|--|--|
|--|--|

Analysis of closed complaints

| | 2004-05 | 2005-06 |
|-------------|---------|---------|
| 6200 - 6299 | 93 | 82 |
| 6300 - 6399 | 40 | 43 |
| 6400 - 6499 | 34 | 26 |
| 6500 - 6599 | 100 | 81 |
| 6600 - 6699 | 2 | 6 |
| 6700 - 6799 | 51 | 43 |

Table 8: Rural and regional consumers 2004-05 to 2005-06

Enquiries out of jurisdiction

Each year the Assessment Unit receives a number of phone calls about issues that are clearly outside 'jurisdiction'. These include such issues as enquiries about food standards, public health issues, product issues not directly related to the delivery of health services and general queries from people who have incorrectly contacted the OHR seeking information about a health related matter. On average, there are 30 to 40 calls of this nature a month. These calls can be time consuming as staff aim to provide a "one-stop shop" endeavouring to assist the caller to locate the correct service to resolve their matter. In addition, the Assessment Unit has been piloting a program since April 2006, to inform and assist consumers to take steps to attempt to resolve their concern with the provider prior to the OHR formally accepting their complaint.

Written complaints

On receipt of a written complaint, the assessment staff review the information and often contact the complainant to clarify the content of the complaint and the key outcomes being sought by the consumer.

Complaints rejected

In 2005-06, 213 complaints were rejected. Often the receipt of a written complaint is the first contact that the OHR has with the consumer. On assessment, it may be necessary to reject a complaint based on the written information and this accounts for a number of written complaints not being accepted for conciliation. The following table shows the number of complaints received by the OHR that were rejected and the reasons why they were rejected.

| Complaints Rejected | |
|---|------------|
| Section 24 - The incident occurred more than 12 months before the complaint was made | 19 |
| Section 26 (1) (b) - The complaint does not warrant any further action | 42 |
| Section 26 (1) (c) - The complaint does not comply with the Act | 35 |
| Section 26 (2) - The issues raised in the complaint have already been determined by a court or an industrial tribunal or a registration board or S.A.T. | 7 |
| Section 27 (6) - The complainant has not confirmed the complaint in writing as per s.27(2) | 5 |
| Section 27 (6) - The complainant has not provided information relating to their identity as per s.27(3) | 5 |
| Section 27 (6) - The complainant has not provided information requested by the Director as per s.27(5) | 100 |
| Total number of complaints rejected: | 213 |

Table 9: Written complaints rejected 2005-06

This year telephone contact has been made with a complainant when they have written to us. This telephone contact can result in the matter being resolved and the complaint is closed under Section 26(1) (b). This section also includes matters that have proceeded to conciliation and are resolved before the meeting.

Furthermore, telephone contact is made and information provided to complainants who have written with the aim of assisting them to resolve the matter themselves. If this does resolve the problem the matter is closed under Section 27(6).

Complaints referred

As required by the Act, there are occasions when a complaint may be referred formally to a registration board or other body. Table 10 details the number of referrals.

| Complaints Referred | |
|--|-----------|
| Section 31 - Referred to Registration Board | 7 |
| Section 32 - Referred to other body | 10 |
| Section 43 (3) - Not resolved in conciliation - referred to Registration Board | 6 |
| Total number of complaints referred: | 23 |

Table 10: Written complaints referred 2005/2006

Written complaints accepted

The total number of written complaints closed was 565. The total number of closed complaints was 1542.

The following analysis is a summary of all complaints registered in the OHR complaints database. These figures represent the profile of health complaints we closed this year.

Section 29 represents those complainants who make a decision to withdraw. This can occur at any stage of the conciliation process and at times following extensive work or involvement on the part of all parties.

| Written complaints accepted | |
|--|------------|
| Section 29 - The complainant has withdrawn the complaint | 42 |
| Section 40 - Conciliation completed - agreement reached | 145 |
| Section 40 - Conciliation completed - no agreement reached | 69 |
| Section 40 - Conciliation completed - partial agreement reached | 39 |
| Section 41 (3) - Resolved between complainant and provider | 23 |
| Section 48 - Investigation complete - unreasonable conduct | 1 |
| Section 52 (1) (b) - industrial tribunal or S.A.T. proceedings initiated | 1 |
| Section 52 (1)(a) - legal proceedings begun | 1 |
| Total number of written complaints accepted: | 321 |

Table 11: Written complaints accepted 2005/2006

Complaints against provider

The complaints we receive are categorised by provider types. Table 12 below shows the trend in complaints about the major provider types over the past two years. As can be seen from this Table there is a slight increase in private hospitals and a decrease in medical practices and dental practices.

| | 2004-06 | 2005-06 |
|------------------------|----------------|----------------|
| Medical Practitioners | 24.0% | 25.0% |
| Hospital (Public) | 20.0% | 20.0% |
| Prison Health Services | 19.0% | 17.0% |
| Hospital (Private) | 6.0% | 4.4% |
| Medical Practice | 3.0% | 5.9% |
| Dentists | 6% | 5.3% |
| Dental Practices | 2.0% | 2.1% |

Table 12: Major provider types 2004-2005 to 2005-2006

Medical Practitioners

This year there was a rise in complaints against General Practitioners. This has increased by 6.5% and Psychiatrists by 1.8%. There has been a reduction for all other medical practitioner areas.

| | 2004-05 | 2005-06 |
|--------------------------------|---------|---------|
| General Practitioner | 59.0% | 65.5% |
| Plastic / Cosmetic Surgeons | 6.0% | 2.6% |
| General Surgeons | 5% | 2.3% |
| Obstetricians / Gynaecologists | 5.0% | 1.9% |
| Psychiatrists | 5.0% | 6.8% |
| Anaesthetists | 4.0% | 3.6% |
| Orthopaedic Surgeons | 3.0% | 2.6% |

Table 13: Complaints about Medical Specialists

Public Hospitals by Specialities

This year there has been an increase in General Medicine and Emergency Department with a decrease in all other categories.

| | 2004-05 | 2005.06 |
|--------------------------|---------|---------|
| General Medicine | 34.0% | 43.2% |
| Psychiatry | 21.0% | 17.9% |
| Emergency Departments | 11.0% | 13.3% |
| Obstetrics / Gynaecology | 5.0% | 6.8% |
| General Surgery | 5.0% | 2.3% |
| Paediatrics | 5.0% | 1.6% |

Table 14: Complaints about public hospitals

Issues

Issues raised in complaints are categorised under major issue types.

The issues most frequently complained about are treatment and access, with a slight increase in complaints about decision-making. This year has seen a fall in complaints related to cost.

| Issues | 2005-06 | 2004-05 |
|-----------------|---------|---------|
| Treatment | 54.9% | 51% |
| Cost | 2.6% | 13% |
| Access | 22.7% | 16% |
| Information | 3.2% | 6% |
| Privacy | 3.9% | 4% |
| Decision Making | 4.9% | 3% |
| Other Issue | 5.5% | 7% |

Table 15: Public Hospital - Comparison of issue type

Major issues by provider categories

This year complaints related to treatment have decreased and there has been an increase in complaints around access and information. For dentists there has been an increase around issues related to cost.

| | Treatment | | Cost | | Access | | Information | | Privacy | |
|------------------------|-----------|--------|-------|--------|--------|-------|-------------|-------|---------|-------|
| | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 |
| All Complaints | 51.0% | 40.6% | 13.0% | 14.9% | 16.0% | 20.0% | 6.0% | 6.7% | 4.0% | 4.4% |
| Medical Practitioners | 52.0% | 44.7% | 16.0% | 16.4% | 7.0% | 10.6% | 9.0% | 11.2% | 9.0% | 8.6% |
| Prison Health Services | 48.0% | 33.60% | 0.0% | 0.4% | 34.0% | 49.6% | 3.0% | 4.20% | 2.0% | 1.00% |
| Public Hospitals | 60.0% | 55.2% | 5.0% | 2.6% | 19.0% | 22.7% | 7.0% | 3.2% | 2.0% | 4.2% |
| Dentists | 65.0% | 46.9% | 23.0% | 30.90% | 2.0% | 6.2% | 4.0% | 6.2% | 3.0% | 0.0% |
| Private Hospitals | 54.0% | 35.3% | 20.0% | 35.3% | 10.0% | 10.3% | 7.0% | 5.9% | 1.0% | 4.4% |

Table 16: Comparison of issues and provider types

Major issues by Teaching Hospital

This year there has been an increase of complaints from Fremantle Hospital related to treatment and access. There has been a decrease in complaints from Princess Margaret Hospital and Royal Perth Hospital.

| | Fremantle | | King Edward | | Princess Margaret | | Royal Perth | | Sir Charles Gairdner | |
|-----------------|-----------|-----------|-------------|-----------|-------------------|----------|-------------|-----------|----------------------|-----------|
| | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 |
| Treatment | 6 | 23 | 9 | 4 | 12 | 3 | 39 | 17 | 23 | 20 |
| Access | 3 | 14 | 1 | 2 | 3 | 1 | 13 | 10 | 3 | 11 |
| Information | 0 | 1 | 2 | 0 | 1 | 0 | 7 | 1 | 4 | 1 |
| Privacy | 1 | 1 | 1 | 1 | 0 | 0 | 1 | 2 | 0 | 0 |
| Decision Making | 0 | 1 | 1 | 1 | 1 | 0 | 4 | 3 | 1 | 0 |
| Cost | 0 | 1 | 0 | 0 | 0 | 1 | 2 | 1 | 2 | 1 |
| Grievances | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Other | 1 | 2 | 0 | 1 | 0 | 0 | 1 | 4 | 0 | 1 |
| Total | 11 | 43 | 14 | 10 | 17 | 5 | 67 | 40 | 33 | 34 |

Table 17: Comparison of teaching hospitals and issue types

Case Reflection

OHR received a complaint related to medication error resulting in an overdose of medication during hospitalisation. It is identified in the complaint that the patient had become very unwell from this medication error.

As a result of conciliation the Teaching Hospital apologised for the medication error causing an adverse outcome to the patient and agreed to undertake steps to prevent such an event occurring in the future. The hospital provided results of a medication audit and the recommendations for system change. The complaint was resolved with agreement reached as a result of the apology and procedural changes by the hospital.

It is important to note that often people making complaints are seeking recognition and validation of their issue of concern and in addition the knowledge that actions will be taken to prevent it from occurring again.

Major issues by Non-Teaching Hospitals

| | Armadale | | Bentley | | Graylands | | Osborne Park | | Rockingham/ Kwinana | | Swan Districts | |
|-----------------|-----------|-----------|----------|-----------|-----------|----------|--------------|----------|------------------------|----------|----------------|----------|
| | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 | 04-05 | 05-06 |
| Treatment | 9 | 12 | 4 | 6 | 19 | 3 | 3 | 2 | 4 | 6 | 3 | 4 |
| Access | 5 | 2 | 1 | 2 | 0 | 1 | 1 | 0 | 0 | 1 | 3 | 0 |
| Information | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 1 |
| Privacy | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 1 | 0 | 0 |
| Decision Making | 0 | 2 | 0 | 0 | 3 | 3 | 0 | 0 | 0 | 0 | 1 | 0 |
| Cost | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grievances | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| Disability | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| TOTAL | 14 | 16 | 7 | 10 | 23 | 9 | 5 | 3 | 4 | 9 | 8 | 6 |

Table 18: Non-teaching hospitals - issues

Case Reflection

Following a complaint from a parent regarding inadequate observation for their child who attended a non teaching hospital for head injury, the hospital agreed there was a need for improvement in documentation for Emergency Department. clinical procedures and staff training.

The hospital states that they have undertaken extensive education and review of both medical and nursing documentation since this event. Likewise, they state that education has been undertaken in the management of head injuries to re-inforce the protocols relating to the management of head injuries.

Mental health complaints

It is interesting to note that the issues by percentage are similar for Public and Private Mental Health facilities, except for access, where the complaints are greater for Public.

| | Treatment | Cost | Access | Information | Decision making | Privacy |
|--------------------------------|-----------|------|--------|-------------|-----------------|---------|
| All complaints | 37.8% | 4.1% | 15.3% | 7.1% | 20.4% | 11.2% |
| Public Mental Health Services | 40.3% | 0.0% | 19.4% | 5.5% | 20.0% | 7.3% |
| Private Mental Health Services | 40.3% | 0.0% | 14.9% | 6.0% | 20.9% | 7.5% |

Table 19: Comparison of public and private mental health complaints 2005/2006

Prison complaints

Prison complaints are a significant part of the OHR work where the majority of the work is carried out by the assessment team with the aim of seeking an early resolution. Complaints are received from Public and Private prisons about the provision of health services. As it can be seen in Table 20, there is a marked decrease in Prison health complaints this year.

| | 2004-05 | 2005-06 |
|-------------------|---------|---------|
| New complaints | 365 | 255 |
| Closed Complaints | 399 | 262 |

Table 20: Prison complaint numbers

This year issues around access in prisons increased whereas issues around treatment reduced.

| | 2004-05 | 2005-06 |
|-----------------------|---------|---------|
| Treatment | 48.0% | 33.2 |
| Access | 34.0% | 49.6 |
| Policy/Administration | 8.0% | 8.4% |
| Other | 10.0% | 8.8% |

Table 21: Issues in closed prison complaints

Complaints from male prisons are greater, which is a reflection of the prison population.

Case Reflection

Working more directly with Prison Health Units to resolve health complaints with minimal involvement from OHR has resulted in the option for the prison health staff to resolve issues directly with the prisoner.

For example we received a complaint from a prisoner about medications being stopped, resulting in him experiencing severe pain from a chronic condition. OHR contacted the prisoner directly, as well as the Quality Coordinator, to advise of the complaint and agreed to health staff at the prison liaising directly with the man to enable the matter to be resolved without any formal involvement from this Office. The very positive outcome of this direct approach was that the following day, the man called to say that he had met with prison health staff and he was able to gain access to his medication.

| Name of Prison | 2005-06 Issues | | | | | | | | Total Number of Complaints | |
|----------------------------------|----------------|------------|----------|-------------------------|-------------|-----------------|----------|-----------|----------------------------|------------|
| | Treatment | Access | Cost | Administrative Practice | Information | Decision Making | Privacy | Other | 2005-06 | 2004-05 |
| Acacia | 17 | 34 | 1 | 0 | 6 | 2 | 1 | 7 | 68 | 96 |
| Albany | 4 | 2 | 0 | 0 | 0 | 0 | 0 | 3 | 9 | 5 |
| Bandyup | 6 | 6 | 0 | 0 | 0 | 1 | 0 | 4 | 17 | 17 |
| Boronia Pre Release Centre | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 1 |
| Rangeview | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Broome | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 1 | 3 | 0 |
| Bunbury | 4 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 14 |
| Casuarina | 19 | 29 | 0 | 0 | 2 | 1 | 2 | 6 | 59 | 100 |
| Department of Corrective Service | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| Eastern Goldfields | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |
| Greenough | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 15 |
| Hakea | 30 | 39 | 0 | 0 | 1 | 0 | 0 | 5 | 75 | 102 |
| Karnet | 2 | 4 | 0 | 0 | 1 | 0 | 0 | 0 | 7 | 7 |
| Nyandi | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Roebourne | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 2 | 2 |
| Wooroloo | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 3 |
| Prison Dental Services | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| Total | 87 | 130 | 1 | 0 | 11 | 4 | 3 | 26 | 262 | 365 |

Table 22: Complaint issues for each prison

Freedom of Information statistics 2005-06

Details in relation to Freedom of Information (FOI) requests during 2005-06 are described in Table 23 below.

| Freedom of Information 2006-06 | |
|--|---------|
| Freedom of information requests this year: | 11 |
| Number relating to personal information: | 11 |
| Number relating to non-personal information: | 0 |
| Number of request finalised this year: | 11 |
| Granted full access: | 4 |
| Granted edited access: | 7 |
| Access refused: | 1 |
| Access deferred: | 1 |
| Referred to another agency: | 0 |
| Number of reviews: | 1 |
| Requests for amendment of personal information: (amended fully in accordance with application) | 0 |
| Average time taken to process each application: | 39 days |
| Charge raised for access to information: | 0 |
| Requests received from the media: | 0 |

Table 23: New and closed complaints 2002-2006

The State Ombudsman's Office received five (5) allegations concerning the OHR during 2005-2006. Outcomes of these are described in Table 24 below

| State Ombudsman's Office | |
|---|---|
| Discretion exercised. | 2 |
| Referral back to the Office of Health Review. | 2 |
| Withdrawn. | 1 |

Table 24: Complaints reviewed by Ombudsman's Office



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**OFFICE OF HEALTH REVIEW
FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2006**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Office of Health Review at 30 June 2006 and its financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions;
- (ii) the controls exercised by the Office provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key effectiveness and efficiency performance indicators of the Office are relevant and appropriate to help users assess the Office's performance and fairly represent the indicated performance for the year ended 30 June 2006.

Scope

The Director is responsible for keeping proper accounts and maintaining adequate systems of internal control, for preparing the financial statements and performance indicators, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Act, I have independently audited the accounts, financial statements and performance indicators to express an opinion on the financial statements, controls and performance indicators. This was done by testing selected samples of the evidence. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and performance indicators.

D D R PEARSON
AUDITOR GENERAL
25 September 2006

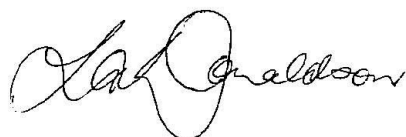
4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

PERFORMANCE INDICATORS

OFFICE OF HEALTH REVIEW

CERTIFICATION OF PERFORMANCE INDICATORS

I hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Office of Health Review's performance, and fairly represent the performance of the Office of Health Review for the financial year ended 30 June 2006.



Linley Anne Donaldson
Director
ACCOUNTABLE AUTHORITY

Date: 30 August 2006

Performance Indicators

Four indicators, two for efficiency and two for effectiveness are reported on. The indicators are the same as those used in previous Annual reports and therefore comparative figures are given.

| Efficiency indicators | 2004-05 | 2005-06 |
|---|----------|------------|
| (a) Cost per finalised complaint ¹ | \$608 | \$961.70** |
| (b) Number of days taken to finalise a complaint ² | 123 days | 135 days |
| Effectiveness Indicators | 2004-05 | 2005-06 |
| (a) Number of improvements in practices and actions taken by agencies/providers as a result of OHR recommendations ³ | 47 | 16 |
| (b) Percentage of complaints finalised this year ⁴ | 86% | 86% |

** The amount of \$961.70 represents an average cost of finalising a complaint during 2005-06. The net cost of services \$1,482,947 was not consistent with previous yearly expenditure as it included the following major expenses:

- (a) a Management Initiated Termination Payment plus all leave entitlements were paid out to a former senior officer;
- (b) recruitment and relocation expenses for the appointment of the new Director;
- (c) other recruitment expenses relating to other permanent positions during the years; and
- (d) twelve-month salaries for the position of Information and Community Relations Officer

| Workload data as at 30 June 2006 | |
|--|------|
| Complaints on hand 1 July 2005 | 308 |
| New complains received | 1490 |
| Total complaints handled during the year | 1798 |
| Less: complaints closed | 1542 |
| Balance | 256 |
| Complaints actually on hand 30 June 2006 * | 268 |

* To avoid double counting we do not count as new complaints that were closed as at the end of the previous year but subsequently re-opened during the current year. This explains why the number of active complaints on hand is greater than 256.

¹ Based on the accrual costs for the period 1 July 2004 to 30 June 2005.

² This KPI relates only to written complaints and is taken from the date of receipt of the complaint form, or written confirmation of the complaint to the date of closure of the file.

³ There were 16 complaints identified for the year with recommendations to providers for procedures/policy changes. All of these records have been reviewed to show that as at 30 June 2006, there was evidence that all recommendations have been implemented by the providers as part of the continuous improvement process.

⁴ The percentage of complaints closed reflects the overall effectiveness of the OHR in dealing with complaints.

DISABILITY COMPLAINTS

Our jurisdiction to accept complaints about disability service providers is contained in Part 6 of the Disability Services Act.

The number of complaints about disability services received remains relatively small when compared with health complaints and this year we experienced a reduction in the number of new complaints received.

Analysis of disability complaints

How many complaints do we receive?

We received 15 new disability complaints in 2005/2006 and closed 23 complaints. Six of the new complaints were confirmed in writing.

Table 25 below shows the trend of complaint numbers over the past four years.

| | 2004-05 | 2005-06 |
|-------------------|---------|---------|
| New Complaints | 41 | 15 |
| Closed Complaints | 32 | 23 |

Table 25: New and closed complaints 2004 - 2006

At the end of the financial year six complaints remained open. Four of these complaints have been accepted for conciliation and two complaints are currently being assessed or we are awaiting further information from the complainant before they can be assessed. Each complaint that we receive is assessed to ensure that the complaint is a matter we can deal with under the Disability Services Act.

Table 26 below shows the number of disability complaints handled during the year.

| Disability complaints | |
|--|----|
| Number of complaints carried forward from previous year: | 14 |
| New complaints received 2005-2006: | 15 |
| Total number handled 2005-2006: | 29 |
| Number of complaints closed 2005-2006: | 23 |
| Complaints on hand 30 June 2006: | 6 |

Table 26: Workload data 2005-06

What provider types do people complain about?

Of the complaints received this year, six were about non-government service providers and five were about the Disability Services Commission. Table 27 below shows the trend in complaints about different provider types over the past four years.

| | 2004-05 | 2005-06 |
|---------------------------------|---------|---------|
| Non government service provider | 27 | 6 |
| Disability Services Commission | 14 | 5 |
| Public authority | 0 | 0 |
| Private organisation | 0 | 1 |
| Not identified/Other | 0 | 3 |

Table 27: Provider type 2004 to 2006

Who complains?

The majority of complaints were made by parents or relatives of adult or child consumers and this is consistent with previous years. Four complaints were made by people with disabilities acting on their own behalf. Table 28 below shows who made complaints this year.

| | |
|-----------------------------------|---|
| Parent Relative of adult consumer | 5 |
| Advocate of adult consumer | 1 |
| Parent of minor consumer | 5 |
| Consumer | 4 |

Table 28: Complaints about disability services 2005-06

Case Reflection

OHR received a complaint from a parent who was concerned with the unprofessional and unreliable service from a case manager working in an Agency funded by the Disability Services Commission agency.

The parent and agency agreed to conciliation. This process enabled the parent and the agency to discuss the issues and recognise where changes needed to occur.

The matter was resolved to the satisfaction of both parties. The outcome resulted in the agency continuing to provide service with modified arrangements.

What issues do they complain about?

The majority of complaints (7) were about service quality. The remaining complaints were spread over several other issue types. Table 29 below shows the trend in issue types over the past two years.

| | 2004-05 | 2005-06 |
|-------------------------------|---------|---------|
| Service Quality | 16 | 7 |
| Service Eligibility | 5 | 1 |
| Staff Conduct | 5 | 3 |
| Communication | 3 | 0 |
| Funding or Not Making a Grant | 3 | 1 |
| Service Withdrawn | 3 | 1 |
| Policy | 2 | 1 |
| Service Delayed | 1 | 0 |
| Service Reduced | 1 | 1 |
| Cost | 1 | 0 |
| No Issue Identified | 1 | 0 |
| Privacy/Confidentiality | 0 | 0 |
| Service Refused | 0 | 0 |

Table 29: Disability complaint issues 2004-05 to 2005-06

What outcomes do we achieve?

This year we closed 23 disability complaints and the outcomes achieved for each of these are shown in Table 30 below.

| | |
|-------------------------------------|---|
| Agreement reached | 4 |
| Partial agreement reached | 1 |
| Does not warrant any further action | 8 |
| Sufficient information not provided | 2 |
| Not confirmed in writing | 8 |

Table 30: Outcomes of closed disability complaints 2005-06

DISABILITY COMPLAINTS - THE YEAR IN REVIEW

The Office experienced a reduction in new complaints under Part 6 of the Disability Services Act 1993 during the year. There are a number of reasons why this may have occurred including the absence of our dedicated disability conciliation officer on secondment to another Agency. This year also saw the development of the Disability Services Complaints Network to assist agencies to manage consumer and carer issues and concerns at the agency level where possible. During the past six months the Director has undertaken visits and held meetings with the Disability Services Commission and providers and consumers of disability services. In addition on-going staff development for all OHR staff is in place to assist them to gain increased knowledge and experience in dealing with disability complaints.

We recognise the importance of public awareness activities as the means by which people with disabilities become aware of the Office as an avenue to pursue grievances about service provision. We also recognise that the requirement by the Disability Services Commission that all its funded service providers meet the Disability Services Standards, notably Standard 7 Complaints and Disputes, means that service providers have processes in place to deal with concerns of consumers. The service agreement between the Disability Services Commission and disability service providers requires the funded agency to have consumer complaints policies and procedures, and to make this information readily available to consumers and their families.

Private commercial service providers who do not receive funding from the Disability Services Commission do not have the same external requirements for meeting service standards or complaints handling. Our Office has a responsibility under s.30 (A) Functions of Director, to assist service providers in developing and improving procedures for making complaints and the training of staff in handling complaints. There is work to be done in this area and our Office will attempt to contact as many of these providers as possible during the coming year.

Amendments to the Health Services (Conciliation and Review) Act 1995

A significant inclusion in the amendments is the change of the name of the Office to make it clear that we have responsibility for handling disability complaints. The proposal is that the new OHR name be 'The Office of Health and Disability Complaints'. This name change is something the disability community has been seeking since the Office became responsible for receiving complaints under Part 6 of the Disability Services Act in 1999, and was a recommendation of the Review of the Disability Services Act in 2002 and of the Office of Health Review in 2003. This change should make it easier for people with disabilities to use our services and will more properly reflect the dual complaint handling role of the Office.

Amendments to the Disability Services Act 1993

The 2004 amendments to the *Disability Services Act* 1993, in addition to expanding the functions of the Director, also included an extra ground for complaint. A carer may now make a complaint to the Office about a disability service provider's or the Disability Services Commission's failure to comply with the Carers Charter. The Carers Charter is set out under Schedule 1 of the *Carers Recognition Act* 2004. This is a significant change that enables carer's access to the Office's complaints service in their own right.

The Director continues to discuss with the Disability Services Commission further amendments to the Act to enable people with disabilities to complain about how a complaint has been investigated by a service provider and about allegations of charging excessive fees or improper use of fees.

Public Awareness

Disability Complaints Network

Following a very successful forum for disability service providers' complaints officers coordinated by this Office in early 2005, a Steering Committee was formed to explore the establishment of a Disability Complaints Network. The Steering Committee had representatives from disability service providers, the Disability Services Commission and the OHR. A survey was prepared and terms of reference drafted to identify the level of interest within the disability service community for the formation of an on-going Disability Complaints Network. Forty-seven responses were received, the majority of which supported the formation of the network. The first meeting was held in October 2005 where the survey results were reviewed and future activities discussed.

The Disability Complaints Network continues to meet to refine its terms of reference and to plan activities. Sharing of information on best practice in complaints handling is proving to be beneficial to participants. Planning is underway to hold a practical workshop in complaints handling later in the year.

Conciliated outcomes in disability complaints

More conciliation meetings are being facilitated by the OHR in order to encourage and assist the parties to a complaint to reach agreement in the early stages. An example of an early meeting resulting in agreement between the parties was a complaint about a therapy service provided to a child. A conciliation meeting was arranged by the OHR, which provided the agency with an opportunity to demonstrate its method of service delivery and for the complainant to be able to express her grievance directly to the Chief Executive Officer. At the meeting the service provider agreed that the service had not been delivered to the expected professional standard and made an offer of improved services or funding for a service through another provider. The parties regarded this as a satisfactory outcome.

National Disability Abuse and Neglect Hotline

We continue to receive notifications from the National Disability Abuse and Neglect Hotline as required by the Protocol signed by this Office and the Hotline in 2003. We received one notification during the year and closed seven from the previous year from the one complainant. Following initial enquiries, these complaints were closed as not requiring any further action from this Office. One complaint remained in conciliation at 30 June 2005. The Protocol aims to ensure a prompt and effective referral to this Office of notifications received by the Hotline concerning the provision of disability services in Western Australia. The primary focus of the Protocol is to ensure that allegations of abuse and neglect are investigated and a resolution is achieved.

INDIAN OCEAN TERRITORIES

In May 2004 we signed a service delivery arrangement with the commonwealth Government to provide a complaints mechanism for residents of the Indian Ocean Territories of Christmas Island © and Cocos (Keeling) Islands (CK).

The services we provide are in response to complaints about health or disability services from residents on CKI or CI. Complaints can be received about services provided on CI or CK and also services provided in Western Australia on behalf of the Indian Ocean Territories Health Services.

In making the OHR more accessible we have also made a concerted effort to raise the awareness about the services that we offer to the communities within the Indian Ocean Territories of Christmas Island and Cocos (Keeling) Islands. In doing this, multi-lingual brochures were developed, printed and distributed to the Islands local Shires, library's and health service centres. This project was guided by key learning's from the Equal Opportunity Commission and with the assistance of the local shires. Whilst the number of complaints received by our Office from the IOT's are still very small we hope that this initiative is of assistance.

The OHR only received one case this financial year.

| | |
|--|-----------|
| Territories complaints | |
| Case 1 | \$388.8 |
| Printing of health and disability brochures in two languages | \$1,507.0 |
| Administration | \$604.8 |
| Total cost of services: | \$2,500.6 |
| <i>Performance indicators:</i> | |
| Cost per finalised complaint | \$961.70 |
| Average time to close | 246 days |
| Recommendations for improvement | Nil |
| Percentage of complaints finalised | 100% |
| Table 31: Indian Ocean Territories complaint | |

STATUTORY REPORTING

In accordance with the Government's *Strategic Planning Framework for the Western Australian Public Sector* we are pleased to report our contribution to the specific goals, which are relevant to our operations.

GOAL 1 – People and communities

Agency specific reporting.

During the year our work contributed to the following outcomes for this goal:

- Outcome 4 – An excellent public health system.
- Outcome 9 – Opportunities for health, participation and security are optimised in order to enhance quality of life as people age.
- Outcome 10 – A positive difference to the lives of people with disabilities, their families and carers.

OHR provides an independent complaints resolution process, which allows members of the community to have concerns about health and disability services resolved in confidence. The complaints resolution process often identifies improvements, which, in turn, contribute to better health and disability services. Our services are available at no cost to members of the community and are an important means by which an individual's concerns and experiences can lead to positive improvements. Ultimately, the availability of such services contributes to the quality of life and wellbeing of all Western Australians.

In August 2005 an Information and Community Liaison Officer was appointed for a period of 12 months. The role of this position is to develop and co-ordinate the implementation of a community outreach program. This activity will be significant means for us to meet this goal.

Obligatory reporting

Disability Access and Inclusion Service Plan outcomes

Our Disability Access and Inclusion Plan identify potential barriers for people with disabilities in accessing our services and looks at ways to overcome such barriers. Our accommodation includes a reception area that is spacious and wheelchair accessible.

All of our publications, including our brochures, are available in Braille or on audiotape, and are available on our website.

We have established a complaints network for disability service providers and advocacy groups. This will enhance our ability to seek advice from the disability community to ensure our services remain relevant and appropriate for people with disabilities.

This year we did not hold any public consultations. However, in our Disability Access and Inclusion Plan we identify people with disabilities as being key stakeholders who must be encouraged to participate in any such consultations.

Cultural diversity and language services outcomes

We have a language services strategy that we follow. Our policy is to:

- where required, use independent, qualified interpreters and translators when dealing with clients from culturally and linguistically diverse backgrounds;
- translate correspondence to and from clients who do not have English as their first language; and
- provide multilingual guides. These provide information about our services in 15 community languages.

Youth outcomes

We do not have a specific strategy targeting young people, as our service is available to all Western Australian users of health and disability services. Many of the complaints we deal with are from parents or guardians and, occasionally, from young people themselves. There is no age restriction on making a complaint to the OHR.

GOAL 2 – The economy

The services provided by us do not specifically target economic growth or the promotion of the economy. For this reason, there is no agency specific reporting against this goal. Obligatory reporting requirements to meet this goal are outlined in the Operational Report, which follows, and includes our performance indicators and financial statements.

GOAL 3 – The environment

Obligatory reporting

Waste paper recycling

We use a free paper recycling service provided by our building managers. Our staff are encouraged to recycle all used paper, and documents containing confidential information are shredded and recycled.

Energy Smart Government Policy

Given that we have fewer than 25 staff we are not required to report on this issue. However, as part of our collocation with other agencies, we adopt strategies to minimise energy use, including minimising the use of lighting where possible. During the year we also decided to dispose of one office vehicle, which we determined was not fully utilised.

GOAL 4 – The regions

Obligatory reporting

Regional Development Policy

Outcomes:

- government decision making is based on a thorough understanding of regional issues.
- effective government service delivery.
- effective health service delivery.

We deal with many complaints from users of health and disability services throughout Western Australia, including in regional areas. Analysis of our complaints data suggests that the proportion of complaints we receive from individuals who live in the regions compared to those who live in the metropolitan area accurately reflects the distribution of the WA population.

In dealing with complaints about health and disability services provided in regional areas, we attempt to ensure that they are viewed in the context of where the service is delivered. This focus is to ensure that service delivery is of an acceptable standard, regardless of the regional setting.

We are a small office and, therefore, it is not practical to have a regional office. However, occasionally we are able to attend regional areas to meet with staff or complainants and, when we do so, we take the opportunity to promote our services to health and disability providers, consumers and advocacy groups in the region.

We also maintain regular liaison with the Regional Managers and Chief Executive Officers of Regional Area Health Services, in relation to specific complaints and general issues arising from complaints.

This year OHR conducted a conciliation meeting by video conference for a regional complaint.

GOAL 5 – Governance

Agency specific reporting

Coordinated, integrated high quality service delivery to the community

There are many agencies and departments that have a role in the resolution of complaints about health and disability services. To ensure that such complaints are handled by the most appropriate agency and to eliminate duplication of complaints processes, we work closely with key stakeholders, many of which are government agencies. This reduces duplication of services and contributes to better service delivery to the community.

Whole of Government approaches to planning, decision-making and resource allocation

We are collocated with the State Ombudsman, the Commonwealth Ombudsman, the Office of the Public Sector Standards Commissioner and the Freedom of Information Commissioner. This has provided a single entry point for members of the public, improved access to complaints mechanisms, a better understanding of how each agency operates and timely referral of matters between these agencies. Sharing services has also led to a reduction in resources used by each of the collocated agencies and the opportunity for us to conduct joint outreach activities.

Effective partnerships with Federal and Local Governments, the private sector and the wider community

The nature of our work requires that we have referral relationships with a large number of public and private sector organisations. For example, we have complaint handling protocols with the Australian Dental Association, the National Disability Abuse and Neglect Hotline (a federally funded initiative) and also with the Aged Care Complaints Resolution Scheme within the Commonwealth Department of Health and Aging. We liaise with the Health Insurance Commission over issues relating to Medicare and the Pharmaceutical Benefits Scheme. Many local governments provide health and disability services and we work with these organisations when dealing with complaints about their services.

Partnerships with the private sector are also a vital part of the work we do. We have good working relationships with many professional associations and various professional colleges regarding specific complaints and more general matters of interest.

We also have good working and referral relationships with advocacy organisations such as People with Disabilities and the Health Consumers' Council. Staff members also attend various community forums and use these opportunities to link into community networks.

Greater community confidence in the processes and actions of government agencies through effective independent oversight and reporting

We contribute to this goal in two ways; in relation to our own work and in our role in resolving complaints.

In relation to our own work, we aim to be transparent and accountable in what we do. We advise participants in the resolution process of our internal review procedures and their right to complain to the Ombudsman if they are dissatisfied with the service we have provided. We use the internal and external review processes as a means of improving our services to consumers and providers.

We also play a role in increasing community confidence in the processes and actions of health and disability service providers – both public and private – by resolving complaints and making recommendations for improvements to services.

Obligatory reporting

Equal employment opportunity outcomes

During the year 12 of the 13 staff employed by us were women. Women occupy 75% of senior positions in the office. Two main ethnic groups are represented within our staff.

All of our recruitment campaigns actively encourage applications from people with disabilities, young people and people from indigenous backgrounds.

Evaluations

There were no evaluations undertaken in 2005-2006.

Information statement

We operate under statutory confidentiality requirements, which reflect the type of work we do. All new staff are required to take an oath or make an affirmation about the performance of their duty and the confidentiality of information. People who are directly involved in a complaint (complainants and providers) are able to apply for access to information on their file.

We are subject to the *Freedom of Information Act 1992*. However, under S14(3) of Schedule 1 of the Act, matters that are in conciliation under the Health Services Act are exempt.

IMPLEMENTATION OF THE RECOMMENDATIONS FROM THE REVIEW OF THE OHR

In November 2002 the Minister for Health announced a review of the OHR in accordance with Section 79 of the Health Services Act.

The terms of reference for the Review were:

1. Review of the operations and the effectiveness of the OHR having regard to:
 - (a) The desirability of the continuation of the functions of the OHR and;
 - (b) Such other matters as appeared to be relevant to the operations and effectiveness of the office.
2. Make recommendations on any structural, functional or procedural changes, if any, which would be made to the office arising out of (1).

The Minister for Health to receive and consider submissions from stakeholders and the general public, convened a reference group. The reference group, following extensive consultation, presented a final report containing 47 recommendations to the Minister for Health.

The report was tabled in Parliament on 4 December 2003. The Government accepted 44 of the 47 recommendations, including three that were accepted with amendments. These are attached as Appendix D. There were 18 recommendations that required amendments to either the Health Services Act 1995 or the Disability Services Act 1993; 3, 7, 8, 9, 11, 15, 16, 17, 18(ii), 19, 22, 27, 38 and 39.

Cabinet approval to draft the Amendment was granted in December 2005 and the amendments are now with the Parliamentary Council for drafting.

The proposed Amendments are designed to streamline the resolution of health and disability complaints and make reporting more meaningful. The amendments are designed to reduce inconsistencies between the Health Services Act and the Disability Services Act. For example the time period for making a health complaint will be extended to two years, consistent with the two years for making a disability complaint.

The name of the OHR will change to the Office of Health and Disability Complaints to openly reflect the role of the Office.

During the 2005-06 year besides the amendments being approved for drafting, ongoing implementation of a number of recommendations has occurred.

Key implementation strategies or actions for this year include:
The recommendations can be referred in Appendix D.

Recommendation 2

The Office of Health Review continues to operate within the framework of a conciliation model.

In March 2006 the OHR, following a review of the health complaints process, commenced a trial to assist consumers to encourage a direct approach with the provider to resolve the matter prior to lodging the complaint with the OHR. This is in line with, and reflects Section 30, of the Health Services Act.

“The Director must not refer a complaint for conciliation or investigate a complaint unless the Director is satisfied that –

- (a) The user or carer, as the case may be, has taken reasonable steps to resolve the matter with the provider; or
- (b) in the case of a user, if the complaint was made on the user’s behalf, all reasonable steps to resolve the matter have been taken on the user’s behalf.”

On average since the trial commenced, 40 people a week have been assisted in approaching the provider directly with the option to return to the OHR if the consumer does not feel the outcome has been satisfactory.

A percentage of these consumers have returned to the OHR to formally lodge their complaint. However, there has been a gap in the data collection phase, and as a result, the actual number of people reaching resolution, taking no further action or returning to the OHR is not calculable. In 2006-07 amendments and upgrades to the database will be implemented to accurately capture consumer information and issues.

In addition, consumer, advocacy and provider groups will be invited to provide feedback on

- 1) the written material we have and are currently developing to guide consumers and providers in effectively resolving complaints; and
- 2) the referral process implemented by the OHR assisting consumers and providers to resolve the matter of concern.

In addition to this change, in April 2006 the OHR commenced a comprehensive review of the current complaints procedure manual and the conciliation process. The OHR is aiming to move from an investigative to a conciliation meeting model for the resolution of complaints, which will allow for a more timely management of complaints accepted by the OHR.

Recommendation 13

Methods of receiving complaints are extended to include submission of complaints via the Internet. The Web site should therefore be modified to advise consumers of this method of lodging a complaint, and carry an explanation that, in cases requiring access to medical records, signed authorisation by the consumer or the consumer’s representative will be necessary.

In 2006 the OHR through its web page launched a process to enable consumers to make online complaints.

Recommendation 20

The Office of Health Review routinely provides a current list of advocacy services to any complainant involved in the resolution process.

The OHR has a list of advocacy and consumer groups, which are made available to consumers as part of an information pack, following the initial contact.

Recommendation 23

A full-time position of Information and Community Liaison Officer be established to develop and, with the Director, take lead responsibility for a comprehensive information and communications strategy which will:

- *Support the Director's role of increasing the community's awareness of the Office of Health Review and its role and functions;*
- *Improve information about, and access to, the Office of Health Review and its services, with particular reference to groups with special needs including indigenous people, people from culturally and linguistically diverse backgrounds, people with disabilities, people with mental health issues, seniors, young people and those living in rural and remote areas of the state;*
- *Ensure that publications and official forms are user friendly and of high quality; and*
- *Work with health and disability service providers to ensure that consumers have access to information about the Office of Health Review, and its role and functions, at points of service, and are informed of their rights with regard to health and disability services.*

An Information and Community Liaison person was appointed on a 12 month contract, August, 2006. To ensure that OHR information is appropriate the Information and Community Liaison Officer is seeking input from consumer and provider groups to inform the content of HR brochures or packages of information.

Recommendation 24

The Office of Health Review ensure, where appropriate, that consumers are provided with relevant information about the role, jurisdiction and activities of registration boards and the relationship between registration boards and the Office of Health Review in the complaints process.

A meeting with all registration boards was held in November 2005 to discuss issues related to complaints. Further meetings have been held with registration boards on an individual basis to discuss the roles of the different organisations and how to make this available to the public. In the latter part of 2006 a meeting with all registration boards will be called to develop an agenda.

When required, on contact with the OHR, a list of all registration boards, including their role and contact details are sent to complainants.

Recommendation 40

The Office of Health Review is to ensure that there is equal recognition of the importance of appropriately and continuously addressing disability complaints and associated issues and that sufficient discrete resource are allocated for this purpose.

The OHR has successfully recruited three staff from the disability industry to assist in the management of disability complaints and to develop a better understanding of issues for people with disability.

Recommendation 43

In order to respond to the recommendations of this Report, which propose a significant re-engineering of the processes and procedures of the Office of Health Review, the Director is to formally identify the competencies and skills required by frontline staff and arrange appropriate training.

In February 2006 the OHR commenced an Organisational Review to ensure that job descriptions and skills of complaints management staff reflected the intention of the Health Services Act and the

Disability Services Act. This has been completed and job descriptions have been modified to better reflect the role of assessment and conciliation officers as displayed in the organisational structure.

As part of the organisation review, five positions have been modified in 2005-06.

Recommendation 44

The Director is to ensure that the performance management system be enhanced to take account of the changes to process and procedure outlined in this Report.

In May 2006 the OHR commenced a process for developing a Human Resources Procedure Manual, including a performance development system, which is appropriate to the work of the OHR. The performance management system will be implemented in the 2006-07 financial year.

Recommendation 46

The Director meet formally, on not less than a six monthly basis or as required, with the Executive Manager of the Prisons Division to discuss operational matters relating to the Office of Health Review's performance of its role in the prison environment.

The Director of the OHR and the Prison Health Complaints have endorsed a project to review the process for the management of Prison Health complaints, with the aim of streamlining the process to ensure timely management of complaints.

CARERS RECOGNITION ACT 2004 - (CARERS RECOGNITION ACT)

The Carers Recognition Act came into operation in January 2005 and sets out the Western Australian Carers Charter. Carers can now complain to the OHR that an applicable organisation has failed to comply with the Carers Charter. This Charter is set out below.

Schedule 1 – The West Australian Carers Charter

1. Carers must be treated with respect and dignity.
2. The role of carers must be recognised by including carers in the assessment, planning, delivery and review of services that impact on them and the role of carers.
3. The views and needs of carers must be taken into account along with the views, needs and best interests of people receiving care when decisions are made that impact on carers and the role of carers.
4. Complaints made by carers in relation to services that impact on them and the role of carers must be given due attention and consideration.

For more information about the Carers Charter contact:

Office of Senior Interests and Volunteering

4th Floor, May Holman Centre
32 St Georges Terrace
Perth, WA 6000
Telephone: (08) 9220 1111



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

**OFFICE OF HEALTH REVIEW
FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS
FOR THE YEAR ENDED 30 JUNE 2006**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Office of Health Review at 30 June 2006 and its financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions;
- (ii) the controls exercised by the Office provide reasonable assurance that the receipt and expenditure of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key effectiveness and efficiency performance indicators of the Office are relevant and appropriate to help users assess the Office's performance and fairly represent the indicated performance for the year ended 30 June 2006.

Scope

The Director is responsible for keeping proper accounts and maintaining adequate systems of internal control, for preparing the financial statements and performance indicators, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Act, I have independently audited the accounts, financial statements and performance indicators to express an opinion on the financial statements, controls and performance indicators. This was done by testing selected samples of the evidence. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and performance indicators.

D D R PEARSON
AUDITOR GENERAL
25 September 2006

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664

OFFICE OF HEALTH REVIEW

FINANCIAL STATEMENTS

CERTIFICATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Office of Health Review have been prepared in compliance with the provisions of the *Financial Administrative and Audit Act 1985* from proper accounts and records to present fairly the financial transactions for the financial year ending 30 June 2006 and the financial position as at 30 June 2006.

At the date of signing we are not aware of any circumstances which would render any particulars in the financial statements misleading or inaccurate.



Linley Anne Donaldson
DIRECTOR

Date: 30 August 2006


Charles Spadaro
CHIEF FINANCE OFFICER

Date: 30 August 2006

FINANCIAL STATEMENTS

Office of Health Review

Income Statement For the year ended 30th June 2006

| | Note | 2006 \$ | 2005 \$ |
|---|------|------------------|------------------|
| COST OF SERVICES | | | |
| Expenses | | | |
| Employee benefits expense | 6 | 1,167,459 | 807,860 |
| External Services | 7 | 23,585 | 27,015 |
| Depreciation and amortisation expense | 8 | 12,796 | 13,735 |
| Loss on disposal of non-current assets | 9 | 284 | 2,808 |
| Other expenses | 10 | <u>278,826</u> | <u>264,887</u> |
| Total cost of services | | <u>1,482,950</u> | <u>1,116,305</u> |
| INCOME | | | |
| Revenue | | | |
| Commonwealth grants and contributions | 11 | 0 | 20,410 |
| Other revenues | 12 | <u>3</u> | <u>580</u> |
| Total revenue | | <u>3</u> | <u>20,990</u> |
| Total income other than income from State Government | | <u>3</u> | <u>20,990</u> |
| NET COST OF SERVICES | | <u>1,482,947</u> | <u>1,095,315</u> |
| INCOME FROM STATE GOVERNMENT | | | |
| Service appropriation | 13 | 1,390,000 | 1,197,000 |
| Resources received free of charge | 14 | <u>16,363</u> | <u>4,556</u> |
| Total income from State Government | | <u>1,406,363</u> | <u>1,201,556</u> |
| (DEFICIT)/SURPLUS FOR THE PERIOD | | <u>(76,584)</u> | <u>106,241</u> |

The Income Statement should be read in conjunction with the notes to the financial statements.

Office of Health Review**Balance Sheet
As at 30th June 2006**

| | Note | 2006 \$ | 2005 \$ |
|--------------------------------------|------|-----------------------|-----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 15 | 471,193 | 451,015 |
| Receivables | 16 | <u>0</u> | <u>16,726</u> |
| Total Current Assets | | 471,193 | 467,741 |
| Non-Current Assets | | | |
| Plant and equipment | 17 | <u>34,411</u> | <u>47,491</u> |
| Total Non-Current Assets | | 34,411 | 47,491 |
| Total Assets | | <u>505,604</u> | <u>515,232</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Provisions | 19 | 172,533 | 133,067 |
| Other current liabilities | 20 | <u>26,459</u> | <u>0</u> |
| Total Current Liabilities | | 198,992 | 133,067 |
| Non-Current Liabilities | | | |
| Provisions | 19 | <u>18,990</u> | <u>19,447</u> |
| Total Non-Current Liabilities | | 18,990 | 19,447 |
| Total Liabilities | | <u>217,982</u> | <u>152,514</u> |
| NET ASSETS | | <u>287,622</u> | <u>362,718</u> |
| EQUITY | | | |
| Accumulated surplus | 21 | 287,622 | 362,718 |
| TOTAL EQUITY | | <u>287,622</u> | <u>362,718</u> |

The Balance Sheet should be read in conjunction with the notes to the financial statements.

Office of Health Review

Cash Flow Statement
For the year ended 30th June 2006

| | Note | 2006 \$ Inflows (Outflows) | 2005 \$ Inflows (Outflows) |
|---|-------|-------------------------------------|-------------------------------------|
| CASH FLOWS FROM STATE GOVERNMENT | | | |
| Service appropriation | | <u>1,390,000</u> | <u>1,197,000</u> |
| Net cash provided by State Government | | <u>1,390,000</u> | <u>1,197,000</u> |
| Utilised as follows: | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Suppliers and services | | (246,013) | (317,298) |
| Employee benefits | | (1,123,561) | (829,870) |
| Receipts | | | |
| Commonwealth grants and contributions | | 0 | 20,410 |
| Other receipts | | 3 | 570 |
| Net cash used in /provided by operating activities | 22(b) | <u>(1,369,571)</u> | <u>(1,126,188)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for purchase of non-current physical assets | | (251) | (38,700) |
| Proceeds from sale of non-current physical assets | | <u>0</u> | <u>100</u> |
| Net Cash (used in) / provided by investing activities | | <u>(251)</u> | <u>(38,600)</u> |
| Net increase / (decrease) in cash and cash equivalents | | 20,178 | 32,212 |
| Cash and cash equivalents at the beginning of the period | | 451,015 | 418,803 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 15 | <u><u>471,193</u></u> | <u><u>451,015</u></u> |

The Cash Flow Statement should be read in conjunction with the notes to the financial statements.

Office of Health Review

Statement of Changes in Equity
For the year ended 30th June 2006

| | Note | 2006 \$ | 2005 \$ |
|--|------|-----------------------|-----------------------|
| Balance of equity at start of period | | 362,718 | 256,477 |
| ACCUMULATED SURPLUS | 21 | | |
| Balance at start of period | | 362,718 | 256,477 |
| Net adjustment on transition to AIFRS | | 1,488 | (251) |
| Change in accounting policy or correction of prior period errors | | 0 | 0 |
| Restated balance at start of period | | 0 | 0 |
| Gain/(losses) recognized directly in equity | | 0 | 0 |
| (Deficit)/surplus for the period | | <u>(76,584)</u> | <u>106,492</u> |
| Balance at end of period | | <u>287,622</u> | <u>362,718</u> |
| | | | |
| Balance of equity at end of period | | <u>287,622</u> | <u>362,718</u> |

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

For the year ended 30th June 2006

Note 1 First time adoption of Australian equivalents to International Financial Reporting Standards

General

This is the Authority's first published financial statements prepared under Australian equivalents to International Financial Reporting Standards (AIFRS).

Accounting Standard AASB 1 'First time Adoption of Australian Equivalents to International Financial Reporting Standards' has been applied in preparing these financial statements. Until 30 June 2005, the financial statements of the Authority had been prepared under the previous Australian Generally Accepted Accounting Principles (AGAAP).

The Australian Accounting Standards Board (AASB) adopted the Standards of the International Accounting Standards Board (IASB) for application to reporting periods beginning on or after 1 January 2005 by issuing AIFRS which comprise a Framework for the Preparation and Presentation of Financial Statements, Australian Accounting Standards and the Urgent Issues Group (UIG) Interpretations.

In accordance with the option provided by AASB 1 paragraph 36A and exercised by Treasurer's Instruction 1101 'Application of Australian Accounting Standards and Other Pronouncements', financial instrument information prepared under AASB 132 and AASB 139 will apply from 1 July 2005 and consequently comparative information for financial instruments is presented on the previous AGAAP basis. All other comparative information has been prepared under the AIFRS basis.

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard or UIG Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. This TI requires the early adoption of revised AASB 119 'Employee Benefits' as issued in December 2004, AASB 2004-3 'Amendments to Australian Accounting Standards [AASB 119]', AASB 2005-4 'Amendments to Australian Accounting Standards [AASB 139, AASB 132, AASB 1, AASB 1023 & AASB 1038]' and AASB 2005-6 'Amendments to Australian Accounting Standards [AASB 3]' to the annual reporting period beginning 1 July 2005. AASB 2005-4 amends AASB 139 'Financial Instruments: Recognition and Measurement' so that the ability to designate financial assets and financial liabilities at fair value is restricted. AASB 2005-6 excludes business combinations involving common control from the scope of AASB 3 'Business Combinations'.

Reconciliations explaining the transition to AIFRS as at 1 July 2004 and 30 June 2005 are provided at note Note 31 reconciliations explaining the transition to Australian equivalents to International Financial Reporting Standards (AIFRS).

Note 2 Summary of significant accounting policies (a) General Statement

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land and buildings which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The judgements that have been made in the process of applying the Authority's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed at note 4 'Key sources of estimation uncertainty'.

(c) Contributed Equity

UIG interpretation 1038 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) have been designated as contributions by owners by TI 955 'Contributions by Owners made to Wholly Owned Public Sector Entities' and are credited directly to Contributed Equity when the appropriated funds are received. Transfer of net assets to/from other agencies are designated as 'contributions by owners' where the transfers are non-discretionary and non-reciprocal.

(d) Income

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser.

Rendering of services

Revenue is recognised on delivery of the service to the client.

Service Appropriations

Service Appropriations are recognised as revenues at nominal value in the period in which the Authority gains control of the appropriated funds. The Authority gains control of the appropriated funds at the time those funds are deposited to the bank account. See also note 13 'Service appropriations'.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Authority obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(e) Plant and Equipment

Capitalisation/Expensing of assets

Items of plant and equipment costing above \$1,000 are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than \$1,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of plant and equipment are initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation on assets is calculated using the reducing balance method, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

| | |
|---------------------------|---------------|
| Computer equipment | 5 to 10 years |
| Furniture and fittings | 5 to 15 years |
| Other plant and equipment | 5 to 15 years |

(f) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing over \$1,000 and internally generated intangible assets costing over \$1,000 are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

The carrying value of intangible assets is reviewed for impairment annually when the asset is not yet in use, or more frequently when an indicator of impairment arises during the reporting period indicating that the carrying value may not be recoverable.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life) on the reducing balance basis using rates which are reviewed annually. All intangible assets controlled by the Authority have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Computer Software

5 years

Software that is an integral part of the related hardware is treated as plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset.

(g) Impairment of Assets

Plant and equipment and intangible assets are tested for any indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Authority is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated or where the replacement cost is falling. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each reporting date irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairments at each reporting date.

Refer note 18 'Impairment of assets' for the outcome of impairment reviews and testing.

Refer also to note 2(m) 'Receivables' and note 16 'Receivables' for impairment of receivables.

(h) Non-current Assets Classified as Held for Sale

Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. Assets classified as held for sale are not depreciated or amortised.

(i) Leases

Leases of property, plant and equipment, where the Authority has substantially all of the risks and rewards of ownership, are classified as finance leases.

Finance lease rights and obligations are initially recognised, at the commencement of the lease term, as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, determined at the inception of the lease. The assets are disclosed as leased assets, and are depreciated over the period during which the Authority is expected to benefit from their use. Minimum lease payments are allocated between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

Leases in which the lessor retains significantly all of the risks and rewards of ownership are classified as operating leases. Operating lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased items.

(j) Financial Instruments

The Authority has two categories of financial instruments:-Loans and receivables (cash and cash equivalents, receivables); and-Non trading financial liabilities (payables)

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transition cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents (and restricted cash and cash equivalents) assets comprise cash on hand and short-term deposits with original maturities of three months or less, that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

(l) Accrued Salaries

Accrued salaries (refer to note 20) represent the amount due to staff but unpaid at the end of the financial year, as the pay date for the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Authority considers the carrying amount of accrued salaries to be equivalent to the net fair value.

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts.

The carrying amount is equivalent to fair value as it is due for settlement within 30 days from the date of recognition. See Note 30 'Financial instruments' and note 16 'Receivables'.

(n) Payables

Payables are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value as they are generally settled within 30 days.

(o) Provisions

Provisions are liabilities of uncertain timing and amount, and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of economic benefits is probable and can be measured reliably. Provisions are reviewed at each balance date. See note 19 'Provisions'.

Provisions -Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 12 months after the end of the reporting date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the reporting date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the reporting date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Sick Leave

Liabilities for sick leave are recognised when it is probable that sick leave paid in the future will be greater than the entitlement that will accrue in the future.

Past history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised in the Income Statement for this leave as it is taken.

Superannuation

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes.

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

The Authority has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. The Authority does not have any current employees who are members of the Pension Scheme or accrued a benefit on transfer from the pension scheme to the GSS Scheme. All other GSS Scheme obligations are funded by concurrent contributions made by the Authority to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees who are not members of either the Pension or the GSS Schemes become non-contributory members of the West State Superannuation Scheme (WSS), an accumulation scheme. The Authority makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. The WSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the WSS

See also note 2 (p) 'Superannuation expense'.

Provisions -Other

Employment on-costs

Employment on-costs, including workers compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Authority's 'Employee benefits expense'. Any related liability is included in 'Employment on-costs provision'. See note 10 'Other expenses' and note 19 'Provisions'.

(p) Superannuation Expense

The following elements are included in calculating the superannuation expense in the Income Statement:

- (a) Defined benefit plans -Change in the unfunded employer's liability (i.e. current service cost and, actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- (b) Defined contribution plans -Employer contributions paid to the GSS and the West State Superannuation Scheme (WSS).

Defined benefit plans - The authority does not have any current employees who are members of the defined benefit plans.

(q) Resources Received Free of Charge or for Nominal Cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as revenues and as assets or expenses as appropriate, at fair value.

(r) Comparative Figures

Comparative figures have been restated on the AIFRS basis except for financial instruments which have been prepared under the previous AGAAP Australian Accounting Standard AAS 33 'Presentation and Disclosure of Financial Instruments'. The transition date to AIFRS for financial instruments is 1 July 2005 in accordance with AASB 1, paragraph 36A and Treasurer's Instruction 1101.

Note 3 Judgements made by management in applying accounting policies

Judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

Employee benefits provision

A staff retention factor for employees has been used to estimate the amount of non-current liability for long service leave. This staff retention factor is representative of the Health public authorities in general.

Note 4 Key sources of estimation uncertainty

The key estimates and assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Employee benefits provision

A staff retention factor representing the experience of employee departures and periods of service is used to estimate the non-current long service leave liabilities. This is an average of probabilities that current employees will remain employed until completion of their partially completed LSL cycles (being either 7 years or 10 years). This does not make a distinction between employees have differing terms to full entitlement. The same average probability is equally applied to an employee who is very close to attaining full entitlement as it is to a new employee. The actuarial assessment of the staff retention factor was undertaken in July 2003 and it will be due for re-assessment by the next reporting date.

Note 5 Disclosure of changes in accounting policy and estimates

Future impact of Australian Accounting Standards not yet operative

The Authority cannot early adopt an Australian Accounting Standard or UIG Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. As referred to in Note 1, TI 1101 has only mandated the early adoption of revised AASB 119, AASB 2004-3, AASB 2005-3, AASB 2005-4 and AASB 2005-6. Consequently, the Authority has not applied the following Australian Accounting Standards and UIG Interpretations that have been issued but are not yet effective. These will be applied from their application date:

- 1) AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]'). This Standard requires new disclosures in relation to financial instruments. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007. The Standard is considered to result in increased disclosures of an entity's risks, enhanced disclosure about components of a financial position and performance, and changes to the way of presenting financial statements, but otherwise there is no financial impact.
- 2) AASB 2005-9 'Amendments to Australian Accounting Standards [AASB 4, AASB 1023, AASB 139 & AASB 132]' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an "insurance contract" under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The Authority does not undertake these types of transactions resulting in no financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2006.
- 3) UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease'. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At reporting date, the Authority has not entered into any arrangements as specified in the Interpretation resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2006.

The following amendments are not applicable to the Authority as they will have no impact:

| ASB Amendment | Affected Standards |
|---------------|---|
| 2005-1 | AASB 139 (Cash flow hedge accounting of forecast intragroup transactions). |
| 2005-5 | 'Amendments to Australian Accounting Standards [AASB 1 & AASB 139]' |
| 2006-1 | AASB 121 (Net investment in foreign operations). |
| UIG 5 | 'Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'. |
| UIG 6 | 'Liabilities arising from Participating in a Specific Market -Waste Electrical and Electronic Equipment'. |
| UIG 7 | 'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies'. |

| Note 6 Employee benefits expense | 2006 | 2005 |
|--|------------------|----------------|
| | \$ | \$ |
| Salaries and wages (a) | 966,969 | 689,725 |
| Superannuation -defined contribution plans (b) | 65,369 | 66,906 |
| Annual leave (c) | 88,571 | 49,745 |
| Long service leave (c) | <u>46,550</u> | <u>1,484</u> |
| | <u>1,167,459</u> | <u>807,860</u> |

(a) Includes the value of the fringe benefit to the employees.

(b) Defined contribution plans include West State and Gold State (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs expense is included at note 10 'Other expenses'. Any employment on-costs liability is included at note 19 'Provisions'.

| Note 7 External Services | | |
|---------------------------------|---------------|---------------|
| Domestic charges | 46 | 10 |
| Fuel, light and power | 3,828 | 3,424 |
| Food supplies | 1,319 | 1,504 |
| Purchase of external services | <u>18,392</u> | <u>22,077</u> |
| | <u>23,585</u> | <u>27,015</u> |

| Note 8 Depreciation and amortisation expense | | |
|---|---------------|---------------|
| Depreciation | | |
| Computer equipment | 9,064 | 9,687 |
| Furniture and fittings | 693 | 761 |
| Other plant and equipment | <u>3,039</u> | <u>3,287</u> |
| Total depreciation | <u>12,796</u> | <u>13,735</u> |

| Note 9 Loss on disposal of non-current assets | | |
|--|--------------|----------------|
| Cost of disposal of non-current assets | | |
| Computer equipment | (152) | 0 |
| Other plant and equipment | <u>(132)</u> | <u>(2,908)</u> |
| | <u>(284)</u> | <u>(2,908)</u> |
| Proceeds from disposal of non-current assets: | | |
| Other plant and equipment | <u>0</u> | <u>100</u> |
| | <u>0</u> | <u>100</u> |
| Loss | <u>(284)</u> | <u>(2,808)</u> |

| Note 10 Other expenses | | |
|---|----------------|----------------|
| Motor vehicle expenses | 647 | 3,507 |
| Insurance | 4,936 | 8,529 |
| Communications | 21,998 | 20,764 |
| Printing and stationery | 19,188 | 19,835 |
| Audit Fees –external | 13,500 | 12,500 |
| Repairs, maintenance and consumable equipment expense | 3,702 | 1,381 |
| Operating lease expenses | 12,890 | 14,242 |
| Rental of property | 87,949 | 84,731 |
| Computer services | 2,532 | 5,496 |
| Employment on-costs (a) | 16,193 | 30,406 |
| Legal expenses | 16,363 | 4,556 |
| Bureau Costs | 13,000 | 20,500 |
| External Consulting Fees | 24,577 | 10,360 |
| Other | <u>41,351</u> | <u>28,080</u> |
| | <u>278,826</u> | <u>264,887</u> |

- (a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 19 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

| Note 11 Grants and contributions | 2006 | 2005 |
|---|-------------|---------------|
| | \$ | \$ |
| Commonwealth grants and contributions | | |
| Grant for provision of health and disability complaint services | <u>0</u> | <u>20,410</u> |
| | <u>0</u> | <u>20,410</u> |

| Note 12 Other revenues | | |
|-------------------------------|----------|------------|
| Other Revenue | <u>3</u> | <u>580</u> |
| | <u>3</u> | <u>580</u> |

| Note 13 Service appropriations | | |
|---|------------------|------------------|
| Appropriation revenue received during the year: | | |
| Service appropriations | <u>1,390,000</u> | <u>1,197,000</u> |

| Note 14 Resources received free of charge | | |
|---|---------------|--------------|
| Resources received free of charge has been determined on the basis of the following estimates provided by agencies. | | |
| State Solicitor's Office | <u>16,363</u> | <u>4,556</u> |
| | <u>16,363</u> | <u>4,556</u> |

Where assets or services have been received free of charge or for nominal consideration, the Authority recognises revenues (except where the contributions of assets or services are in the nature of contributions by owners, in which case the Authority shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

| Note 15 Cash and cash equivalents | | |
|--|----------------|----------------|
| Cash on hand | 400 | 400 |
| Cash at bank – general | <u>470,793</u> | <u>450,615</u> |
| | <u>471,193</u> | <u>451,015</u> |

| Note 16 Receivables | | |
|----------------------------|----------|---------------|
| Accounts Receivable | <u>0</u> | <u>16,726</u> |

| Note 17 Plant and equipment | | |
|--|-----------------|-----------------|
| Computer equipment | | |
| <i>At cost</i> | 60,994 | 66,204 |
| <i>Accumulated depreciation</i> | <u>(45,923)</u> | <u>(41,917)</u> |
| | <u>15,071</u> | <u>24,287</u> |
| Furniture and fittings | | |
| <i>At cost</i> | 14,129 | 14,129 |
| <i>Accumulated depreciation</i> | <u>(5,577)</u> | <u>(4,884)</u> |
| | <u>8,552</u> | <u>9,245</u> |
| Other plant and equipment | | |
| <i>At cost</i> | 27,764 | 29,779 |
| <i>Accumulated depreciation</i> | <u>(16,976)</u> | <u>(15,820)</u> |
| | <u>10,788</u> | <u>13,959</u> |
| Total of property, plant and equipment | <u>34,411</u> | <u>47,491</u> |

Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.

| | 2006 | |
|--|-----------------|--|
| | \$ | |
| Computer equipment | | |
| Carrying amount at start of year | 24,287 | |
| Disposals | (152) | |
| Depreciation | <u>(9,064)</u> | |
| Carrying amount at end of year | <u>15,071</u> | |
| Furniture and fittings | | |
| Carrying amount at start of year | 9,245 | |
| Depreciation | <u>(693)</u> | |
| Carrying amount at end of year | <u>8,552</u> | |
| Other plant and equipment | | |
| Carrying amount at start of year | 13,959 | |
| Disposals | (132) | |
| Depreciation | <u>(3,039)</u> | |
| Carrying amount at end of year | <u>10,788</u> | |
| Total property, plant and equipment | | |
| Carrying amount at start of year | 47,491 | |
| Disposals | (284) | |
| Depreciation | <u>(12,796)</u> | |
| Carrying amount at end of year | <u>34,411</u> | |

Note 18 Impairment of Assets

There were no indications of impairment to plant and equipment, and intangible assets at 30 June 2006.

The Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date there were no intangible assets not yet available for use.

All surplus assets at 30 June 2006 have either been classified as assets held for sale or written off.

| | 2006 | 2005 |
|-----------------------------|----------------|----------------|
| | \$ | \$ |
| Note 19 Provisions | | |
| Current | | |
| Employee benefits provision | | |
| Annual leave (a) | 86,662 | 56,677 |
| Time off in lieu leave (a) | 216 | 202 |
| Long service leave (b) | 85,655 | 75,914 |
| Superannuation | <u>0</u> | <u>274</u> |
| | <u>172,533</u> | <u>133,067</u> |
| Non-current | | |
| Employee benefits provision | | |
| Long service leave (b) | <u>18,990</u> | <u>19,447</u> |
| | <u>18,990</u> | <u>19,447</u> |
| Total Provisions | <u>191,523</u> | <u>152,514</u> |

- (a) Annual leave liabilities and time off in lieu leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|--|---------------|---------------|
| Within 12 months of reporting date | 86,663 | 56,677 |
| More than 12 months after reporting date | <u>0</u> | <u>0</u> |
| | <u>86,663</u> | <u>56,677</u> |

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|--|---------------|---------------|
| Within 12 months of reporting date | 44,070 | 37,957 |
| More than 12 months after reporting date | <u>41,585</u> | <u>37,957</u> |
| | <u>85,655</u> | <u>75,914</u> |

(c) The settlement of annual and long service leave liabilities give rise to the payment of employment on-costs including workers compensation premiums. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at note 10 'Other expenses'.

| | 2006 | 2005 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| Note 20 Other liabilities | | |
| Current | 2,029 | 0 |
| Accrued salaries | 24,430 | 0 |
| Accrued Expenses | <u>26,459</u> | <u>0</u> |
| Note 21 Accumulated surplus | | |
| Balance at start of year | 362,718 | 256,728 |
| Result for the period | (76,584) | 106,241 |
| Net adjustment on transition to AIFRS | 1,488 | (251) |
| Balance at end of year | <u>287,622</u> | <u>362,718</u> |

Note 22 Notes to the Cash Flow Statement

(a) **Reconciliation of cash**

Cash assets at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

| | | |
|---|----------------|----------------|
| Cash and cash equivalents (see note 15) | <u>471,193</u> | <u>451,015</u> |
|---|----------------|----------------|

(b) **Reconciliation of net cost of services to net cash flows used in operating activities**

| | | |
|--|--------------------|--------------------|
| Net cash used in operating activities (Cash Flow Statement) | (1,369,571) | (1,126,188) |
| Increase/(decrease) in assets: | | |
| Receivables | (16,726) | 10,824 |
| Other | (1,739) | (251) |
| Decrease/(increase) in liabilities: | | |
| Payables | (24,430) | 2,569 |
| Accrued salaries | (2,029) | 33,420 |
| Provisions | (39,009) | 5,410 |
| Non-cash items: | | |
| Depreciation expense (note 8) | (12,796) | (13,735) |
| Net gain/(loss) from disposal of non-current assets (note 9) | (284) | (2,808) |
| Resources received free of charge (note 14) | <u>(16,363)</u> | <u>(4,556)</u> |
| Net cost of services (Income Statement) | <u>(1,482,947)</u> | <u>(1,095,315)</u> |

At the reporting date, the Authority had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

Note 23 Remuneration of members of the Accountable Authority and senior officers

Remuneration of members of the Accountable Authority

The Director General of Health is the Accountable Authority for the Office of Health Review. The Director General of Health's remuneration is paid by the Department of Health.

Remuneration of senior officers

The number of members of the Accountable Authority, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:

| | 2006 | 2005 |
|---|----------------|----------------|
| \$160,001 - \$170,000 | 0 | 1 |
| \$200,001 - \$210,000 | 1 | 0 |
| Total | <u>1</u> | <u>1</u> |
| | \$ | \$ |
| The total remuneration of senior officers is: | <u>200,611</u> | <u>164,822</u> |

The total remuneration includes the superannuation expense incurred by the Authority in respect of senior officers other than senior officers reported as members of the Accountable Authority.

The senior officer presently employed is not a member of the Pension Scheme.

| | 2006 | 2005 |
|---|---------------|---------------|
| | \$ | \$ |
| Note 24 Remuneration of auditor | | |
| Remuneration to the Auditor General for the financial year is as follows: | | |
| Auditing the accounts, financial statements and performance indicators | <u>14,500</u> | <u>13,500</u> |

Note 25 Commitments

(a) Operating lease commitments:

Commitments in relation to leases contracted for at the reporting date but not recognised in the financial statements, are payable as follows:

| | | |
|---|----------------|----------------|
| Within 1 year | 100,113 | 87,410 |
| Later than 1 year, and not later than 5 years | <u>8,343</u> | <u>87,410</u> |
| | <u>108,456</u> | <u>174,820</u> |
| Representing: | | |
| Non-cancellable operating leases | <u>108,456</u> | <u>174,820</u> |
| | <u>108,456</u> | <u>174,820</u> |

The operating lease commitments are comprised of a single lease through The Department of Housing and Works for the premises at Level 17, St Martins Tower Building, 44 St George's Terrace, Perth that expires in July 2007. The lease has an option for a 5-year extension.

(b) Other expenditure commitments:

There were no other expenditure commitments as at 30th June 2006.

Note 26 Contingent liabilities and contingent assets

The Authority does not have any contingent liabilities or assets as at 30th June 2006.

Note 27 Events occurring after reporting date

There were no events occurring after reporting date which have significant financial effects on these financial statements.

Note 28 Reconciliations explaining the transition to AIFRS

NOTES TO THE RECONCILIATION

(a) Employee benefits

AASB 119 requires that all employee benefits expected to be settled more than 12 months after the end of the reporting date is measured at the present value of amounts expected to be paid when the liabilities are settled. Under AGAAP, all annual leave and long service leave entitlements (unconditional long service leave) were measured at nominal amounts.

Employment on-costs are not included in employee benefits under AGAAP or AIFRS. However, under AGAAP employee benefits and on-costs are disclosed together on the face of the Income Statement as Employee costs. Under AIFRS employee benefits will be the equivalent item disclosed on the face. On-costs are transferred to other expenses.

Adjustments to opening Balance Sheet (1 July 2004)

There has been a decrease in employee benefits provision of \$1,740 and a corresponding increase in accumulated surplus/(deficit).

Adjustments to 30 June 2005 Balance Sheet

There has been a decrease in employee benefits provision of \$1,488 and a corresponding increase in accumulated surplus/(deficit).

Adjustments to the Income Statement for the period ended 30 June 2005

The present value measurement has resulted in an increase in employee benefits expense of \$251.

Adjustments to the Cash Flow Statement for the period ended 30 June 2005

Employment on-costs payments have been reclassified from employee benefits payments to other payments of \$ 30,326.

(b) Impairment of assets

There is no impairment of assets for the year.

(c) Intangible assets

AASB 138 requires that software not integral to the operation of a computer must be disclosed as intangible assets. Intangible assets must be disclosed on the balance sheet. All software has previously been classified as property, plant and equipment (computer equipment and software).

Adjustments to opening Balance Sheet (1 July 2004)

There was no adjustment by the Authority to the 2004-05 year opening balance sheet for intangible assets.

Adjustments to 30 June 2005 Balance Sheet

There was no adjustment by the Authority to the June 30 2005 balance sheet for intangible assets.

Adjustments to the Income Statement for the period ended 30 June 2005

There was no net impact on the deficit for the year.

(d) Non-current assets classified as held for sale

AASB 5 requires non-current assets available for sale to be disclosed as a separate class of asset on the balance sheet. Assets classified as non-current assets classified as held for sale are not depreciated and are measured at the lower of carrying amount (prior to reclassification) and fair value less selling costs.

The Authority does not have items of plant, equipment and vehicles that are required to be classified as non-current assets classified as held for sale.

(e) Net gain on disposal of non-current assets

Under AGAAP the disposal of non-current assets is disclosed on the gross basis. That is, the proceeds of disposal are revenue and the carrying amounts of assets disposed of are expense. The disposal of non-current assets is disclosed on the net basis (gains or losses) under AIFRS.

Adjustments to the Income Statement for the period ended 30 June 2005

The carrying amounts of assets disposed of was previously recognised as expense. This has been derecognised \$ 2,908.

The proceeds of disposal of non-current assets was previously recognised as income. This has been derecognised \$ 100.

A loss on the disposal of non-current assets of \$ 2,808 has been recognised as expense.

Note 29 Explanatory Statement

(A) Significant variances between actual results for 2006 and 2005

Significant variations between actual results with the corresponding items of the preceding reporting period are detailed below. Significant variations are those greater than 10% or that are 4% or more of the current year's Total Cost of Services.

| Note | | 2006 Actual | 2005 Actual | Variance |
|--|-----|----------------|----------------|----------|
| Expenses | | | | |
| Employee benefits expense | (a) | 1,167,459 | 807,860 | 359,599 |
| External services | (b) | 23,585 | 27,015 | (3,430) |
| Depreciation and amortization expense | | 12,796 | 13,735 | (939) |
| Loss on disposal of non-current assets | (c) | 284 | 2,808 | (2,524) |
| Other expenses | | 278,826 | 264,887 | 13,939 |
| Revenue | | | | |
| Commonwealth grants and contributions | (d) | - | 20,410 | (20,410) |
| Other revenues | (e) | 3 | 580 | (577) |
| Service appropriation | (f) | 1,390,000 | 1,197,000 | 193,000 |
| Resources received free of charge | (g) | 16,363 | 4,556 | 11,807 |

(a) Employee benefits expense

The increase was due to a termination payout to a senior officer and employment of a number of staff on a temporary basis.

(b) External Services

The decrease was due to recruitment and selection expenses for various vacant positions.

(c) Loss on disposal of non-current assets

The decrease was due to only two old assets were disposed off during the year.

(d) Commonwealth grants and contributions

No grants were received for 2005-06 from the Department of Transport and Regional Services due to surplus grants carried over from 2004-05.

(e) Other revenues

\$3.00 raised due to disposal of an old printer.

(f) Service appropriation

Funding received from Treasury for recoup of a termination payout to a senior officer.

(g) Resources received free of charge

The increase was due to the increase in legal advice sought from the State Solicitors Office.

Note 30 Financial Instruments

a) **Financial risk management objectives and policies**

Financial instruments held by the Authority are cash and cash equivalents, receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

Credit risk

The Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The Authority has appropriate procedures to manage cash flows including draw downs of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Cash flow interest rate risk

The Authority is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings.

b) **Financial instrument disclosures**

Financial instrument information for the year ended 2005 has been prepared under the previous AGAAP Australian Accounting Standard AAS 33 'Presentation and Disclosure of Financial Instruments'. Financial instrument information from 1 July 2005 has been prepared under AASB 132 'Financial Instruments: Presentation' and AASB 139 'Financial Instruments: Recognition and Measurement'. See also note 2 (r) 'Comparative figures'.

Interest rate risk exposure

The following table details the Authority's exposure to interest rate risk as at the reporting date:

| | Weighted Average Effective Interest Rate | Variable interest rate | Fixed interest rate maturities | | | | | Non- interest bearing | Total | |
|---------------------------------|---|---------------------------------------|---------------------------------------|----------------------|----------------------|----------------------|----------------------|--------------------------------------|--------------|---------|
| | | | within 1 year | 1-2 years | 2-3 years | 3-4 years | 4-5 years | More than 5 years | | |
| 2006 | % | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | \$000 | |
| Financial Assets | | | | | | | | | | |
| Cash and cash equivalents | | - | - | - | - | - | - | - | 471,193 | 471,193 |
| Receivables | | - | - | - | - | - | - | - | - | - |
| Amounts receivable for services | | - | - | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - | 471,193 | 471,193 |
| Financial Liabilities | | | | | | | | | | |
| Payables | | - | - | - | - | - | - | - | 26,459 | 26,459 |
| | | - | - | - | - | - | - | - | 26,459 | 26,459 |
| Net financial assets | | - | - | - | - | - | - | - | 444,734 | 444,734 |

Note 30 Financial instruments (continued)

| | Weighted Average Effective Interest R % | Variable interest rate \$000 | Fixed interest rate maturities | | | Over 5 years 000 | Non- interest bearing \$000 | Total \$000 |
|------------------------------|---|---------------------------------------|--------------------------------|--------------------------|---|------------------------|--------------------------------------|----------------|
| | | | 1 year or less \$000 | 1 to 5 years \$000 | | | | |
| Financial Assets | | | | | | | | |
| Cash and cash equivalents | | - | - | - | - | 451,015 | 451,015 | |
| Receivables | | | | | | 16,726 | 16,726 | |
| | | - | - | - | - | 467,741 | 467,741 | |
| Financial Liabilities | | | | | | | | |
| Payables | | - | - | - | - | - | - | |
| | | - | - | - | - | - | - | |
| Net financial assets | | - | - | - | - | 467,741 | 467,741 | |

Note 31 Reconciliations explaining the transition to Australian equivalents to International Financial Reporting Standards (AIFRS)

Reconciliation of equity at the date of transition to AIFRS: 1 July 2004

| | AGAAP 1 July 2004 | Adjustments, Employee benefits | Asset Impairment | Reclassification, computer software | Reclassification Others | Adjustments, land and Buildings | Total Adjustments | AIFRS 1 July 2004 |
|----------------------------------|----------------------|--------------------------------------|---------------------|---|----------------------------|---------------------------------------|----------------------|----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | |
| Current Assets | | | | | | | | |
| Cash and cash equivalents | 418,803 | 0 | 0 | 0 | 0 | 0 | 0 | 418,803 |
| Receivables | 5,903 | 0 | 0 | 0 | 0 | 0 | 0 | 5,903 |
| Total Current Assets | 424,706 | 0 | 0 | 0 | 0 | 0 | 0 | 424,706 |
| Non-Current Assets | | | | | | | | |
| Plant and equipment | 25,434 | 0 | 0 | 0 | 0 | 0 | 0 | 25,434 |
| Total Non-Current Assets | 25,434 | 0 | 0 | 0 | 0 | 0 | 0 | 25,434 |
| Total Assets | 450,140 | 0 | 0 | 0 | 0 | 0 | 0 | 450,140 |
| LIABILITIES | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Payables | 2,570 | 0 | 0 | 0 | 0 | 0 | 0 | 2,570 |
| Provisions | 112,844 | (1,740) | 0 | 0 | 0 | 0 | (1,740) | 111,104 |
| Other current liabilities | 33,420 | 0 | 0 | 0 | 0 | 0 | 0 | 33,420 |
| Total Current Liabilities | 148,834 | (1,740) | 0 | 0 | 0 | 0 | (1,740) | 147,094 |
| Non-Current Liabilities | | | | | | | | |
| Provisions | 46,568 | 0 | 0 | 0 | 0 | 0 | 0 | 46,568 |
| Total Non-Current Liabilities | 46,568 | 0 | 0 | 0 | 0 | 0 | 0 | 46,568 |
| Total Liabilities | 195,402 | (1,740) | 0 | 0 | 0 | 0 | (1,740) | 193,662 |
| NET ASSETS | 254,738 | 1,740 | 0 | 0 | 0 | 0 | 1,740 | 256,478 |
| EQUITY | | | | | | | | |
| Accumulated surplus/(deficit) | 254,738 | 1,740 | 0 | 0 | 0 | 0 | 1,740 | 256,478 |
| TOTAL EQUITY | 254,738 | 1,740 | 0 | 0 | 0 | 0 | 1,740 | 256,478 |

Note 31 Reconciliations explaining the transition to Australian equivalents to International Financial Reporting Standards (AIFRS)

Reconciliation of Income Statement for the year ended 30 June 2005

| | AGAAP 30 June 2005 | Adjustments, Employee benefits | Asset Impairment | Reclassification, computer software | Reclassification Others | Adjustments, land and Buildings | Total Adjustments | AIFRS 30 June 2005 |
|---|-----------------------|--------------------------------------|---------------------|---|----------------------------|---------------------------------------|----------------------|-----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| COST OF SERVICES | | | | | | | | |
| Expenses | | | | | | | | |
| Employee benefits expense | 838,014 | 251 | 0 | 0 | (30,405) | 0 | (30,154) | 807,860 |
| External Services | 27,015 | 0 | 0 | 0 | 0 | 0 | 0 | 27,015 |
| Depreciation and amortization expense | 13,735 | 0 | 0 | 0 | 0 | 0 | 0 | 13,735 |
| Carrying amount of non-current assets disposed of | 2,908 | 0 | 0 | 0 | (2,908) | 0 | (2,908) | 0 |
| Loss on disposal of non-current assets | 0 | 0 | 0 | 0 | 2,808 | 0 | 2,808 | 2,808 |
| Other expenses | 234,482 | 0 | 0 | 0 | 30,405 | 0 | 30,405 | 264,887 |
| Total cost of services | 1,116,154 | 251 | 0 | 0 | (100) | 0 | 151 | 1,116,305 |
| INCOME | | | | | | | | |
| Revenue | | | | | | | | |
| Commonwealth grants and contributions | | | | | | | | |
| | 20,410 | 0 | 0 | 0 | 0 | 0 | 0 | 20,410 |
| Proceeds from disposal of non-current assets | 100 | 0 | 0 | 0 | (100) | 0 | (100) | 0 |
| Other revenues | 580 | 0 | 0 | 0 | 0 | 0 | 0 | 580 |
| Total income other than income from State Government | 21,090 | 0 | 0 | 0 | (100) | 0 | (100) | 20,990 |
| NET COST OF SERVICES | 1,095,064 | 251 | 0 | 0 | 0 | 0 | 251 | 1,095,315 |
| INCOME FROM STATE GOVERNMENT | | | | | | | | |
| Service appropriation | 1,197,000 | 0 | 0 | 0 | 0 | 0 | 0 | 1,197,000 |
| Resources received free of charge | 4,556 | 0 | 0 | 0 | 0 | 0 | 0 | 4,556 |
| Total income from State Government | 1,201,556 | 0 | 0 | 0 | 0 | 0 | 0 | 1,201,556 |
| SURPLUS FOR THE PERIOD | 106,492 | (251) | 0 | 0 | 0 | 0 | (251) | 106,241 |

Note 31 Reconciliations explaining the transition to Australian equivalents to International Financial Reporting Standards (AIFRS)

Reconciliation of equity at the end of the last reporting period under previous AGAAP: 30 June 2005

| | AGAAP 30 June 2005 | Adjustments, Employee benefits | Asset Impairment | Reclassification, computer software | Reclassification Others | Adjustments, land and Buildings | Total Adjustments | AIFRS 30 June 2005 |
|--------------------------------------|-----------------------|--------------------------------------|---------------------|---|----------------------------|---------------------------------------|----------------------|-----------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| ASSETS | | | | | | | | |
| Current Assets | | | | | | | | |
| Cash and cash equivalents | 451,015 | 0 | 0 | 0 | 0 | 0 | 0 | 451,015 |
| Receivables | 16,726 | 0 | 0 | 0 | 0 | 0 | 0 | 16,726 |
| Total Current Assets | 467,741 | 0 | 0 | 0 | 0 | 0 | 0 | 467,741 |
| Non-Current Assets | | | | | | | | |
| Plant and equipment | 47,491 | 0 | 0 | 0 | 0 | 0 | 0 | 47,491 |
| Total Non-Current Assets | 47,491 | 0 | 0 | 0 | 0 | 0 | 0 | 47,491 |
| Total Assets | 515,232 | 0 | 0 | 0 | 0 | 0 | 0 | 515,232 |
| LIABILITIES | | | | | | | | |
| Current Liabilities | | | | | | | | |
| Provisions | 134,555 | (1,488) | 0 | 0 | 0 | 0 | (1,488) | 133,067 |
| Total Current Liabilities | 134,555 | (1,488) | - | - | - | - | (1,488) | 133,067 |
| Non-Current Liabilities | | | | | | | | |
| Provisions | 19,447 | 0 | 0 | 0 | 0 | 0 | 0 | 19,447 |
| Total Non-Current Liabilities | 19,447 | 0 | 0 | 0 | 0 | 0 | 0 | 19,447 |
| Total Liabilities | 154,002 | (1,488) | 0 | 0 | 0 | 0 | (1,488) | 152,514 |
| NET ASSETS | 361,230 | 1,488 | 0 | 0 | 0 | 0 | 1,488 | 362,718 |
| EQUITY | | | | | | | | |
| Accumulated surplus/(deficit) | 361,230 | 1,488 | 0 | 0 | 0 | 0 | 1,488 | 362,718 |
| TOTAL EQUITY | 361,230 | 1,488 | 0 | 0 | 0 | 0 | 1,488 | 362,718 |

Note 31 Reconciliations explaining the transition to Australian equivalents to International Financial Reporting Standards (AIFRS)

Reconciliation of Cash Flow Statement for the year ended 30 June 2005

| | AGAAP 30 June 2005 | Adjustments | AIFRS 30 June 2005 |
|---|-----------------------|-----------------|-----------------------|
| | \$ | \$ | \$ |
| CASH FLOWS FROM STATE GOVERNMENT | | | |
| Service appropriation | 1,197,000 | 0 | 1,197,000 |
| Net Cash provided by State Government | <u>1,197,000</u> | <u>0</u> | <u>1,197,000</u> |
| Utilised as follows: | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Supplies and services | (275,689) | 0 | (275,689) |
| Employee benefits | (871,479) | 41,609 | (829,870) |
| Other payments | 0 | (41,609) | (41,609) |
| Receipts | | | |
| Commonwealth grants and contributions | 20,410 | 0 | 20,410 |
| Other receipts | 570 | 0 | 570 |
| Net Cash (used in) / provided by operating activities | <u>(1,126,188)</u> | <u>0</u> | <u>(1,126,188)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for purchase of non-current physical assets | (38,700) | 0 | (38,700) |
| Proceeds from sale of non-current physical assets | 100 | 0 | 100 |
| Net cash (used in) / provided by investing activities | <u>(38,600)</u> | <u>0</u> | <u>(38,600)</u> |
| Net increase / (decrease) in cash and cash equivalents | 32,212 | 0 | 32,212 |
| Cash and cash equivalents at the beginning of the period | 418,803 | 0 | 418,803 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | <u><u>451,015</u></u> | <u><u>0</u></u> | <u><u>451,015</u></u> |

Estimates of expenditure for 2006-07

The following estimates of expenditure for the year 2006-07 are prepared on an accrual accounting basis. The estimates are required under Section 42 of the *Financial Administration and Audit Act 1985* and by instruction from the Department of Treasury.

The following Estimates of Expenditure for the 2006-07 do not form part of the preceding audited financial statements.

| Revenue | 2006-07 |
|-------------------|----------------|
| Consolidated Fund | \$1,254,000.00 |

APPENDICES

APPENDIX A

| Provider Type | Number of complaints for each provider type | |
|--------------------------------------|---|-------------------------------------|
| | Number of complaints | Percentage of all health complaints |
| Acupuncturist | 1 | 0.06% |
| Administration | 5 | 0.32% |
| Age Care Hostel | 9 | 0.58% |
| Alternative Health Service | 5 | 0.32% |
| Ambulance Officer | 1 | 0.06% |
| Ambulance Service | 27 | 1.75% |
| Anonymous Individual Provider | 7 | 0.45% |
| Chiropractor | 7 | 0.45% |
| Community Health Service (Private) | 8 | 0.52% |
| Community Health Service (Public) | 24 | 1.56% |
| Counsellor | 3 | 0.19% |
| Dental Prosthetist | 15 | 0.97% |
| Dental Surgery | 33 | 2.14% |
| Dental Technician | 1 | 0.06% |
| Dentist | 81 | 5.25% |
| Diagnostic Service | 15 | 0.97% |
| Disability | 1 | 0.06% |
| Disability Services | 23 | 1.49% |
| Disability / Rehabilitation | 2 | 0.13% |
| Government Department | 12 | 0.78% |
| Hearing Service | 2 | 0.13% |
| Hospital (Private) | 68 | 4.41% |
| Hospital (Public) | 308 | 19.97% |
| Medial Practice | 91 | 5.90% |
| Medical Practitioner | 385 | 24.97% |
| Mental Health Service (non hospital) | 15 | 0.97% |
| Naturopath | 1 | 0.06% |
| Nurse (Registered) | 2 | 0.13% |
| Nursing Home | 9 | 0.58% |
| Ophthalmologist | 4 | 0.26% |
| Optical Service | 18 | 1.17% |
| Optometrists | 25 | 1.62% |
| Orthopaedic Surgeon | 1 | 0.06% |
| Other | 18 | 1.17% |
| Pharmacist | 19 | 1.23% |
| Physiotherapist | 6 | 0.39% |
| Physiotherapy / Hydrotherapy | 1 | 0.06% |
| Podiatrist / Chiropodist | 3 | 0.19% |
| Prison Health Service | 262 | 16.99% |
| Professional Association | 2 | 0.13% |
| Psychologist | 7 | 0.45% |
| Radiologist | 1 | 0.06% |
| Retail Pharmacy | 4 | 0.26% |
| Social Worker | 1 | 0.06% |
| Surgeon | 9 | 0.58% |

Complaint numbers for provider types 2005-2006

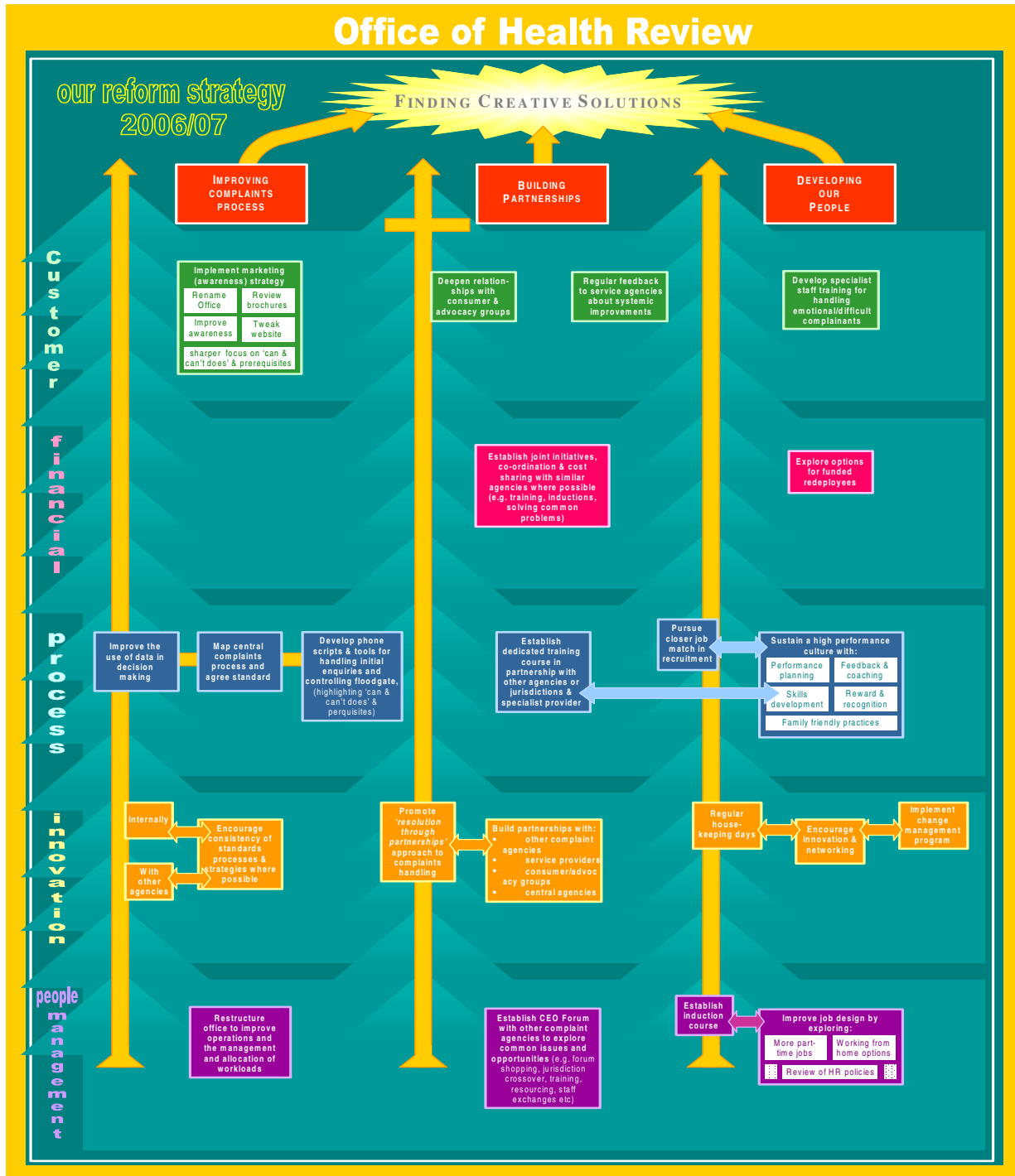
APPENDIX B

Functions and powers of Director

Health Services (Conciliation and review) Act 1995
Section 10 (1)

- (a) to undertake the receipt, conciliation and investigation of complaints under Part 3 and to perform any other function vested in the Director by this Act or another written law;
- (b) to review and identify the causes of complaints, and to suggest ways of removing and minimising those causes and bringing them to the notice of the public;
- (c) to take steps to bring to the notice of users and providers details of complaints procedures under this Act;
- (d) to assist providers in developing and improving complaints procedures and the training of staff in handling complaints;
- (e) with the approval of the Minister, to inquire into broader issues of health care arising out of complaints received;
- (f) subject to subsection (4), to cause information about the work of the Office to be published from time to time;
and
- (g) to provide advice generally on any matter relating to complaints under this Act, and in particular:
 - (i) advice to users on the making of complaints to registrations boards; and
 - (ii) advice to users as to other avenues available for dealing with complaints.

APPENDIX C



Vision

Creating pathways to resolutions

This encompasses our commitment to assisting parties in actively exploring options through conciliation to find pathways to resolution that are accepted by them.

Mission

Contribute to the improvement in the delivery of health and disability services through the impartial resolution of complaints, respecting the rights of consumers and providers, and through developing consumer and provider awareness.

Our mission statement reflects that we are part of a larger matrix working towards the improvement of health and disability services within Western Australia

Finding Creative Solutions

Reform Strategy 2006 – 07

Improving complaints process

- Map conciliation process to focus on higher percentage of conciliation meetings.
- Review of procedures manual with more emphasis on link between Acts and complaints management.
- Procedures manual to be used as reference document for orientation and induction of staff.
- Agree service standards for Office of Health Review complaints management.

Building partnerships

- Maintain and continue to develop contact with provider and consumer groups.
- Health complaints network.
- Disability complaints network.
- Registration Boards network.
- Development of website.
- Consumer and provider feedback surveys.
- Develop with partners' collaborative projects to support health and disability system improvements.

Develop our people

- Organisational Review.
- HR Policy Manual.
- Develop reforms for complaints information management systems.
- Conciliation training for all staff.
- Performance management system implemented.
- Develop three year operational strategic plan.

APPENDIX D

Recommendation 1

The Office of Health Review continues to have responsibility for the administration of the independent health and disability complaints system, established by the Medicare Agreement of 1993-1998.

Recommendation 2.

The Office of Health Review continue to operate within the framework of a conciliation model.

Recommendation 3.

The name of the Office of Health Review be changed to the Health and Disability Complaints Commission of Western Australia.

Recommendation 4

The Office of Health Review affirm a set of values and principles which underpin its operations and aspirations as a quality complaints agency and guide its process of continuous improvement.

Recommendation 5.

These values and principles be published in the Annual Report and promulgated through the Office of Health Review's informational and promotional literature and through other channels as appropriate.

Recommendation 6.

Within 28 days of a complaint being lodged, the Office of Health Review is to accept the complaint if it cannot be rejected on the basis of section 26 or 28 of the Health Services (Conciliation and Review) Act 1995 and is not referred on the basis of sections 31 and 32 of the Act, and in the case of a disability complaint, cannot be rejected on the basis of section 38 of the Disability Services Act 1993. No attempt to resolve the complaint should occur while this assessment is being made.

Recommendation 7

Once a complaint has been accepted by the Office of Health Review, it should move to a process to be known as the Resolution Process, which encompasses a Negotiated Settlement, Conciliation, Investigation and Review.

Recommendation 8

The Resolution process includes any further preliminary actions that may be necessary to implement a negotiated settlement, a conciliated settlement, an investigation or a review and includes the forwarding of details of the complaint to the provider and any subsequent meetings, discussions or proposals aimed at resolving the complaint.

Recommendation 9.

Section 42 of the Health Services (Conciliation and Review) Act 1995 ('Protection of Statements Made') and section 39(5) of the Disability Services Act 1993 apply when the Resolution Process commences; that is, as soon as the complaint has been accepted as per recommendation 6.

Recommendation 10.

An Independent Complaints Review Committee, comprising a Chair who is a consumer representative and two other members, one of whom is a legal practitioner with expertise in administrative law and the other a professional with relevant health or disability expertise for the purposes of the particular review, be established. The Independent Complaints Review Committee will provide a further, independent avenue of review to complainants who wish to have the outcome or aspects of their case re-examined.

Recommendation 11.

In respect of both health and disability complaints, the Director must reject a complaint the subject matter of which occurred more than 24 months before the complaint is made unless, in the Director's opinion, the complainant has shown good reason for the delay

Recommendation 12.

In all cases where an initial determination has been made by the Office of Health Review staff member that the complaint is within the jurisdiction of the Office, an offer of assistance to complete the complaint form be made to the complainant; and As part of this requirement to offer assistance, there be a clearly worded, plain English advice to this effect printed on all complaint forms.

Recommendation 13.

Methods of receiving complaints be extended to include submission of complaints via the Internet. The Web site should therefore be modified to advise consumers of this method of lodging a complaint, and carry an explanation that, in cases requiring access to medical records, signed authorisation by the consumer or the consumer's representative will be necessary.

Recommendation 14.

*The Office of Health Review routinely check the clarity and quality of written information contained in submitted complaint forms, in order to ensure that the form enables all parties to have a common understanding of the circumstances leading to the complaint and the key issues involved.
Where the Officer believes that greater clarity is required, he/she is to contact the complainant and assist with clarification.*

Recommendation 15.

Delete section 26(1)(b) from the Health Services (Conciliation and Review) Act 1995.

Recommendation 16

Amend section 30 of the Health Services (Conciliation and Review) Act 1995 to provide the Director with the discretion to refer the complaint for resolution, whether or not the complainant, or a person acting on behalf of the complainant, has taken steps to resolve the matter with the provider.

Recommendation 17.

Section 25(1)(a) of the Health Services (Conciliation and Review) Act 1995 be amended to read “a provider” rather than a “public provider” as is presently the case. This would align what may be included in a health complaint with disability complaints (section 33(2) of the Disability Services Act 1993).

Recommendation 18.

Further legal opinion be sought in relation to the right of people subject to insurance claims to lodge a complaint to the Office of Health Review based on the provisions of section 25(1)(b) of the Health Services (Conciliation and Review) Act 1995 and, failing any change in interpretation to include this group,

The Act be amended to enable people who are subject to Workers Compensation, and other insurance cases, to lodge a complaint in relation to any clinical interview or intervention received as part of the insurance process, based on section 25(1)(b) of the Act.

Recommendation 19.

*Both the Health Services (Conciliation and Review) Act 1995 and the Disability Services Act 1993 be expanded to include a provision that providers are required to respond to a complaint within 28 days of the Director notifying them of the complaint; and that the Director may, if s/he deems there is good reason, extend the response period further, after which time the Director may advise the provider that s/he may proceed to draw conclusions without a response; and
If, without good reason, the provider fails to provide the Director with a response, the Director must report on the provider's failure to respond in the Office of Health Review's subsequent Annual Report.*

Recommendation 20. The Office of Health Review routinely provide a current list of advocacy services to any complainant involved in the resolution process.

Recommendation 21.

In every case which has not been concluded within a three-month period, a report be prepared for the Director which recommends on the future conduct of the case. Recommended options include:

Where there is still a good chance of achieving resolution, continue the conciliation process;

- *Investigation and subsequent recommendations for action; and*
- *Where not suitable for investigation and there is little chance of a conciliated settlement:*
- *Closure of the case with no finding other than that resolution was not achievable;*
- *If the complainant wishes, referral for internal review or review by the Independent Complaints Review Committee.*

Recommendation 22.

As per section 44 of the Disability Services Act 1993, the Director must report to the Minister if his/her recommendations with regard to remedying a situation involving a health complaint are not carried out by a provider.

Recommendation 23.

A full-time position of Information and Community Liaison Officer be established to develop and, with the Director, take lead responsibility for a comprehensive information and communications strategy which will:

- *Support the Director's role of increasing the community's awareness of the Office of Health Review and its role and functions;*
- *Improve information about, and access to, the Office of Health Review and its services, with particular reference to groups with special needs including indigenous people, people from culturally and linguistically diverse backgrounds, people with disabilities, people with mental health issues, seniors, young people and those living in rural and remote areas of the state;*
- *Ensure that publications and official forms are user friendly and of high quality; and*
- *Work with health and disability service providers to ensure that consumers have access to information about the Office of Health Review, and its role and functions, at points of service, and are informed of their rights with regard to health and disability services.*

Recommendation 24.

The Office of Health Review ensure, where appropriate, that consumers are provided with relevant information about the role, jurisdiction and activities of registration boards and the relationship between registration boards and the Office of Health Review in the complaints process.

Recommendation 25.

As part of the strategic planning process, the Office of Health Review seek information on best practice guidelines in relation to the structure and content of its future Annual Reports and that the 2003-2004 Annual Report incorporate changes which will engender greater clarity and quality of information and presentation.

Recommendation 26.

As part of the strategic planning process, the Office of Health Review develop a more comprehensive set of key performance indicators ("KPIs") than is presently the case. Such KPIs should measure the extent to which the outcomes sought by the Office of Health Review are being achieved. In the first instance this relates to:

- *resolving (rather than finalising) complaints about health and disability services; and*
- *improving practices and actions of health and disability services.*

Recommendation 27.

The words “and bringing them to the notice of the public” be discarded as an explicit part of function 10(1)(b), but integrated into a broad communication strategy.

Recommendation 28.

The Office of Health Review systematically review complaints data on a six-monthly basis in order to identify any actual or emerging systemic issues of concern.

Recommendation 29.

Where there is evidence of any systemic health or disability issue of concern, based on accurate complaints data and the Office of Health Review is not in a position to investigate the matter, the matter be actively considered for referral to Watch on Health or other appropriate bodies for monitoring and/or investigation.

Recommendation 30.

The Director of the Office of Health Review approach Watch on Health with a view to becoming an ex-officio member of the Watch on Health Council.

Recommendation 31.

Within the Office of Health Review there be an urgent review of management systems, with a view to establishing a strategic approach to the collation, analysis, maintenance, reporting and referral of complaints data. Amongst other things, such data must enable the Office to assess the extent to which it is reaching and serving the needs of groups with special needs, including indigenous people, people from culturally and linguistically diverse backgrounds, people with disabilities, people with mental health issues, seniors, young people and those living in rural and remote areas of the state.

Recommendation 32.

The Office of Health Review establish an effective mechanism for transmitting relevant statistical information on health system issues to stakeholders.

Recommendation 33.

The present system of regular meetings with customer service officers from metropolitan health services continue and the system be expanded to other groups of like service providers in the health system.

Recommendation 34.

The Office of Health Review coordinate a forum of complaints officers from disability service providers in order to discuss matters of common interest in relation to complaints handling processes.

Recommendation 35.

The present functions of the Office of Health Review as set out in 10(1) of the Health Services (Conciliation and Review) Act 1995 remain (with the modification to 10(1)(b) proposed in recommendation 26).

Recommendation 36.

Part 6 of the Disability Services Act 1993 be amended so that the Office of Health Review has comparable authority and powers with respect to disability and health issues, specifically:

- *with the approval of the Minister, the power to inquire into broader issues relating to disability services arising out of complaints received, similar to section 10(1) of the Health Services (Conciliation and Review) Act 1995;*
- *provisions for directly reporting to Parliament similar to section 56 of the Health Services (Conciliation and Review) Act 1995;*
- *provisions for the Office of Health Review to take direction for a review from Parliament or the Minister for Disability Services, similar to section 56 and 11 of the Health Services (Conciliation and Review) Act 1995.*

Recommendation 37.

The Disability Services Act 1993 be amended to permit the Minister for Disability Services to have the same powers under the Act as the Minister for Health has in the Health Services (Conciliation and Review) Act 1995.

Recommendation 38.

Grounds for complaints about disability services be extended to include excessive cost, in keeping with the grounds for complaint in section 25(1)(g) of the Health Services (Conciliation and Review) Act 1995.

Recommendation 39.

The Disability Services Act 1993 be amended, as per section 25(1)(f) of the Health Services (Conciliation and Review) Act 1995, to include as a ground for complaint failure by a manager of a service to properly investigate a complaint.

Recommendation 40.

The Office of Health Review is to ensure that there is equal recognition of the importance of appropriately and continuously addressing disability complaints and associated issues and that sufficient discrete resources are allocated for this purpose.

Recommendation 41.

The Office of Health Review collect data and statistics on disability complaints, which adequately and appropriately reflect issues relevant to disability, and report separately on these in the Annual Report.

Recommendation 42.

Disability complaints dealt with by the Office of Health Review must be funded independently of the Disability Services Commission; that is, through an administered fund.

Recommendation 43.

In order to respond to the recommendations of this Report, which propose a significant re-engineering of the processes and procedures of the Office of Health Review, the Director is to formally identify the competencies and skills required by frontline staff and arrange appropriate training.

Recommendation 44.

The Director is to ensure that the performance management system be enhanced to take account of the changes to process and procedure outlined in this Report.

Recommendation 45.

The Director meet formally with the Inspector of Custodial Services, on not less than a six monthly basis, to discuss issues relating to the role of the Office of Health Review in the context of the Prison Health system.

Recommendation 46.

The Director meet formally, on not less than a six monthly basis or as required, with the Executive Manager of the Prisons Division to discuss operational matters relating to the Office of Health Review's performance of its role in the prison environment.

Recommendation 47.

Not later than 6 months after the Minister has accepted the Report, the Director of the Office of Health Review (or new name) is to provide a progress report to the Minister on the implementation of the recommendations agreed to by the Minister.

APPENDIX E

Registration Boards

1. Chiropractors Registration Board under the *Chiropractors Act 1964*.
2. Dental Board of Western Australia under the *Dental Act 1939*.
3. Medical Board under the *Medical Act 1894*.
4. Nurses Board of Western Australia under the *Nurses Act 1992*.
5. Occupational Therapists Registration Board of Western Australia under the *Occupational Therapists Registration Act 1980*.
6. Optometrists Registration Board under the *Optometrists Act 1940*.
- 6a Osteopaths Registration Board under the *Osteopaths Act 1997*.
7. Pharmaceutical Council of Western Australia under the *Pharmacy Act 1964*.
8. Physiotherapists" Registration Board under the *Physiotherapists Act 1950*.
9. Podiatrists Registration Board under the *Podiatrists Registration Act 1984*.
10. Psychologists Board of Western Australia under the *Psychologists Registration Act 1976*.