

A decorative graphic on the right side of the page consists of three blue circles of varying sizes and two thin blue lines. One line starts from the top left and passes through the top-left edge of the largest circle. The other line starts from the top right and passes through the top-right edge of the same largest circle. A smaller circle is positioned between the two lines, and a third, even smaller circle is located below it.

# **A Clinical Governance Framework**

For Medicare Locals

Developed by Quorus Pty Ltd  
For the Australian General Practice Network

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## Introduction

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The transition to Medicare Locals as one of the foundations for primary health care reform is underway in Australia. To support the establishment of Medicare Locals this Framework for Medicare Locals has been developed.

## Defining governance

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Governance is “the system by which organisations are directed, controlled and held to account. It encompasses authority, accountability, stewardship, leadership, direction and control, exercised in the organisation”.<sup>1</sup> Governance is the role of the Board. It influences how the objectives and strategy of an organisation are set and achieved, how risk is monitored and assessed, how compliance is achieved and how performance is optimised.

It is achieved through a number of interlinked structures and activities that are designed to ensure that managers, clinicians and those who govern health services are aware of their roles and responsibilities, and have the appropriate structures and processes to effect robust governance.

Clinical governance places a responsibility on the governing body/Board, through the Chief Executive Officer, to have effective mechanisms in place for monitoring and managing the quality of clinical care and meeting identified targets for quality. It is the exercise of corporate accountability, both external and internal, for the management of clinical performance throughout a health service organisation.

Clinical governance is about ensuring the standard of clinical performance of a health care organisation and the compliance of the organisation in relation to maintaining good quality clinical care and services. When implemented well, clinical governance can provide Medicare Local Boards their Executive, funders and local communities with an assurance that health care and services, whether provided directly or contracted from other providers, are both safe and of a high quality.

Since clinical governance efforts commenced in health care, corporate and clinical governance activities have tended to be dealt with separately. More recent management thought emphasises the notion of “integrated governance”. This is a process that integrates the various functional governance processes that are often unlinked and dealt with in “silos”. Integrated governance is defined as “systems, processes and behaviours by which health care organisations lead, direct and control their functions in order to achieve organisational objectives, safety and quality of service and in which they relate to patients and carers, the wider community and partner organisations”.<sup>2</sup>

The Framework identified in this document aims to provide Medicare Locals with guidance towards achieving integrated governance by providing the basis for sound processes and structures for focussed governance of the clinical aspects of the business of the Medicare Local.

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<sup>1</sup> Australian National Audit Office (2004)

<sup>2</sup> The Department of Health (2006) “Integrated Governance. A Handbook for executives and non-executives in healthcare organisations.” NHS

## Medicare Locals and Clinical Governance

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The key roles for Medicare Locals will be undertaking local health planning, identifying gaps in services at the local level, examining opportunities for better targeting existing services and establishing formal and informal linkages with the acute and aged care sectors.<sup>3</sup> Medicare Locals will also have a significant population health role to play with a focus on prevention and health promotion activities.<sup>4 5</sup>

Activities of the Medicare Locals will be based around achieving the following five key objectives.<sup>6</sup>

1. Identifying the health needs of local areas and develop locally focussed and responsive (primary health care) services
2. Improving the patient journey through developing integrated and coordinated services
3. Providing support to clinicians and services providers to improve patient care
4. Facilitating the implementation and successful performance of primary health care initiatives and programs
5. Being efficient and accountable with strong governance and effective management.

Many Medicare Locals will provide direct clinical services to their population. Some will not. Medicare Locals may employ or contract allied health practitioners and nursing staff to provide direct patient/client care. Some Medicare Locals will employ medical practitioners to provide clinical services especially after-hours services; others will contract General Practitioners to provide services. All will form collaborations and partnerships with independent practitioners in their local region.

This Framework provides the basis for the clinical governance strategy for a Medicare Local in all such circumstances.

The exact means by which “governance” can be exercised will be determined by the nature of clinician engagement within each Medicare Local; that is, legally through either an employment or services contract for employed or contracted clinicians, or in the case of an independent practitioner, through influence and collaboration.

Medicare Locals will need to provide a significant level of leadership for clinical governance and quality improvement for all health practitioners working within their area, and as much as possible influence the clinical practices and the right culture for providing excellent quality care, programs and services.

## Why a Framework

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<sup>3</sup> It is possible that the role of Medicare Locals will develop over time, as they are rolled out across the country.

<sup>4</sup> Department of Health and Ageing (2009) Building a 21st Century Primary Health Care System Australian Government

<sup>5</sup> DLA Phillips Fox (2010) “Report to the AGPN: Advice and recommendations for structure, membership and governance of Primary Health Care Organisations”

<sup>6</sup> Department of Health and Ageing (2010) “Medicare Locals Discussion Paper on Governance and Functions” Australian Government

The successful implementation of clinical governance requires the development of strong and effective partnerships between clinicians and managers for the safe provision of health care. Health care organisations need to establish clear lines of responsibility and accountability for clinical practice and programs and ensure that these are communicated throughout the organisation.

Many of the components that are being proposed in this clinical governance framework are already in existence or being undertaken by services and are recognised as part of professional practice. A Framework allows for the connection between the components; the systematisation of the elements; and the recognition that both the organisation and patient care benefit from being accountable for the quality of service.<sup>7</sup>

Medicare Locals will require a clinical governance system that:<sup>8</sup>

- ensures quality and safety in primary health care services that are provided as well as in the programs, models of care, care pathways etc that are developed and provided by the Medicare Local
- supports effective service planning that delivers access to well coordinated quality care that aligns with evidence based clinical standards and guidelines
- engages clinicians and leads continuous improvement in primary health care practice.

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<sup>7</sup> Phillips C.B, Hall S.J, Pearce C.M, Travaglia J, de Lusignan S, Love T.E, Kljakovic M. (2009) *Improving Quality through Clinical Governance in Primary Health Care*, Australian Primary Health Care Research Institute, Canberra

<sup>8</sup> AGPN (2010) "Response to Medicare Locals Discussion Paper on Governance and Functions." November 2010

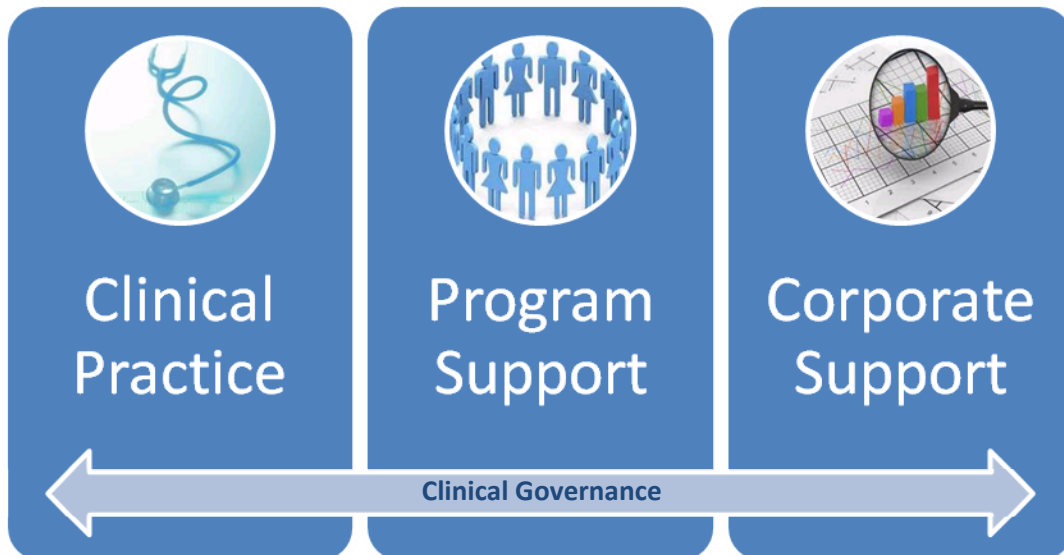
## The Clinical Governance Framework

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The Clinical Governance Framework for Medicare Locals has three Domains and 13 Elements.

The three themes are

1. Clinical Practice
2. Program Support
3. Corporate Support



The **Clinical Practice** Domain identifies those activities and strategies (the elements) that relate mostly to the delivery of high quality clinical care, services and programs. These elements are the primary responsibility of clinical professionals – those providing direct service provision or directly managing clinical programs under contract.

The **Corporate Support** Domain identifies the structures and strategies (the elements) that should be in place across the organisation for good governance and that are mostly the responsibility of the governors and managers of the Medicare Local.

The middle Domain – **Program Support**, identifies those activities and processes (the elements) that need to be undertaken by both the clinical professionals and management together, to ensure effective clinical governance.

This Framework demonstrates the essential overlap of roles that will exist in Medicare Locals for achieving clinical governance whilst at the same time recognising the autonomy that is afforded to health practitioners in the delivery of clinical care and programs.

Health practitioners understand that the patients they treat are being treated within a system. In addition to the responsibility that clinicians have for providing competent high quality care to the individual patients they treat, they also have a responsibility for assisting in the governance of that system of care. Clinicians need to be engaged in activities that are directed at reviewing how and how well that system works, identifying what needs to be improved and then participating in strategies that will improve that system.

The governors (the Board) and managers (CEO and Executive) of Medicare Locals have a responsibility for putting in place structures and processes that will provide a safe and appropriate environment within which high quality care can be delivered to patients, and for providing assistance to clinicians in their clinical governance and improvement activities.

*The essence of clinical governance is that clinicians and managers have equal responsibility for the quality of care that is provided in a health care organisation.*

The Clinical Governance Framework for Medicare Locals is represented diagrammatically below.



### Clinical Practice

#### Care Planning and Delivery

- Safety
- Effectiveness
- Appropriateness
- Access
- Continuity

#### Multi-disciplinary Review

- Clinical Audit
- Retrospective chart review
- Use of clinical indicators
- Incident management

#### Clinical Leadership

- Identification and development programs
- Leader support
- Team development



### Program Support

#### Human Resources Management

- Recruitment and selection
- Credentialing and delineation of clinical privileges
- Education and training programs
- Performance review, monitoring and management

#### Risk Management

- Incident management
- Complaints management
- Proactive risk identification, registration and mitigation
- Open Disclosure and Consent

#### Continuous Quality Improvement

- Clinical Practice Improvement
- Benchmarking

#### Information and knowledge management

- Systems
- Communications
- Data management

#### Consumer Engagement

- Planned consumer involvement in care, services, program planning and evaluation



### Corporate Support

#### Committee Structure

- Clinical governance
- Risk
- Other

#### Performance and Reporting Framework

- For accountability and services management
- Based on dimensions of quality

#### Policy Framework

- Credentialing
- Risk management
- Services planning
- Performance management

#### Service/ Program Planning

- Partnerships
- Population health

#### External Review

- Standards compliance
- Accreditation

## **1. Clinical Practice Domain:**

The three elements of the Clinical Practice Domain of the framework are as follows:

### ***1.1. Care Planning and Delivery***

- Safety
- Effectiveness
- Appropriateness
- Access
- Continuity

### ***1.2. Multi-disciplinary Review***

- Clinical Audit
- Retrospective chart review
- Use of clinical indicators
- Incident management

### ***1.3. Clinical Leadership***

- Identification and development programs
- Leader support
- Team development

## **2. Program Support Domain**

The five elements that comprise the Program support Domain of the Clinical Governance Framework are as follows

### ***2.1. Human Resources Management***

- Recruitment and selection
- Credentialing and delineation of clinical privileges
- Education and training programs
- Performance review , monitoring and management

### ***2.2. Risk Management***

- Incident management
- Complaints management
- Proactive risk identification, registration and mitigation
- Open Disclosure and Consent

### **2.3. Continuous Improvement**

- Clinical Practice Improvement
- Benchmarking

### **2.4. Information and Knowledge management**

- Systems
- Communications
- Data management

### **2.5. Consumer Engagement**

- Planned consumer involvement in care, services, program planning and evaluation

## **3. Corporate Support Domain**

The five elements that comprise the Corporate Support domain of the Framework are:

### **3.1. Committee Structure**

- Clinical governance
- Risk
- Other Board committees as required

### **3.2. Performance and Reporting Framework**

- For accountability and services management
- Based on dimensions of quality

### **3.3. Policy Framework**

- Credentialing
- Risk management
- Services planning
- Performance management

### **3.4. Service / Program Planning and Development**

- Partnerships
- Population health

### **3.5. External review**

- Standards compliance
- Accreditation

## The role of standards in this framework

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The use of standards is critical to any Clinical Governance Framework. The framework has been designed so that there can be a standard attached to each of the elements.

Standards have an important role to play in health care organisations.<sup>9</sup> If well developed, standards:

- define the conditions for quality
- reflect views of industry and/or professional peer groups about acceptable practice
- provide a guide to organisations for service development activities
- provide a basis for evaluation
- provide an instrument for voluntary or regulatory framework.

When used in these ways, in combination with an accreditation or external review and improvement process, they provide a sophisticated and effective stewardship and governance mechanism for the organisation. Using a well constructed set of standards in this way can help to ensure continuous evaluation of care and services, compliance monitoring and continuous improvement. It ensures constant readiness for an external accreditation review.

Standards development will be progressed by the AGPN to further support this Framework.

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<sup>9</sup> Care Quality Commission (2009) "Criteria for assessing core standards in 2009/10 Primary Care Trusts" National Health Service

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