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AUDITOR-GENERAL'S REPORT TO PARLIAMENT

Operating theatres can perform more elective surgery

> "Thousands more people could be operated on in the NSW public health system if operating theatres ran more efficiently," said Mr Achterstraat. "Waiting times for elective surgery will continue to increase if NSW Health does not improve its management of operating theatres," he added.

On the positive side NSW public hospitals are performing more elective surgery than in previous years and are treating patients substantially within national clinical timeframes. However, more operations will be needed as targets are getting tighter and demand is growing.

There is capacity to do more elective surgery using existing resources. If NSW Health met its own theatre utilisation targets for elective surgery an estimated 20,000 more operations could be achieved each year.

> "Hospitals just need to start the first operations of the day on time, stay on time and reduce the numbers of cancellations," said Mr Achterstraat.
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> "Less than half the scheduled first operations started on time over the past three years," said Mr Achterstraat. "In some hospitals less than 10 per cent of first operations start on time, yet in other hospitals over 95 per cent start on time," he added.

The problem is that it is not always clear who is in charge. Operating theatre managers have limited authority or influence over day-to-day theatre efficiency.

> "Someone clearly needs to be in charge of the operating theatre; with the same authority and skill as the matrons of the past," said Mr Achterstraat. "They should be backed up by strong, active operating theatre committees bringing together surgeons, anaesthetists, nurses and hospital executives," he added.
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> "I am pleased that NSW Health is developing best practice guidelines for operating theatre management and governance," said Mr Achterstraat.

To really manage operating theatres well, hospitals need far better information on costs and productivity. A greater understanding is required of the number of theatre hours and operations funded and the degree of spare capacity.

Hospitals should also question why over a quarter of theatre cases are non-surgical, such as endoscopies and colonoscopies which could be done in procedure rooms rather than using up valuable operating theatre time.

The cost of elective surgery varies considerably between hospitals. For example, NSW Health needs to better understand why the average cost of knee replacements in some local health districts is $13,177 and in others is $22,638.

In summary Mr Achterstraat said,

> "Elective surgery costs NSW public hospitals about $1.3 billion per annum. Using the same money we can achieve a lot more. We just need to make sure someone is clearly in charge of each operating theatre and make sure operations start and stay on time. Health professionals also need better information to make the right decisions."
>
> "The hospital's engine room needs a tune up. With more efficient management practices, more elective surgery can be achieved."

Further information:

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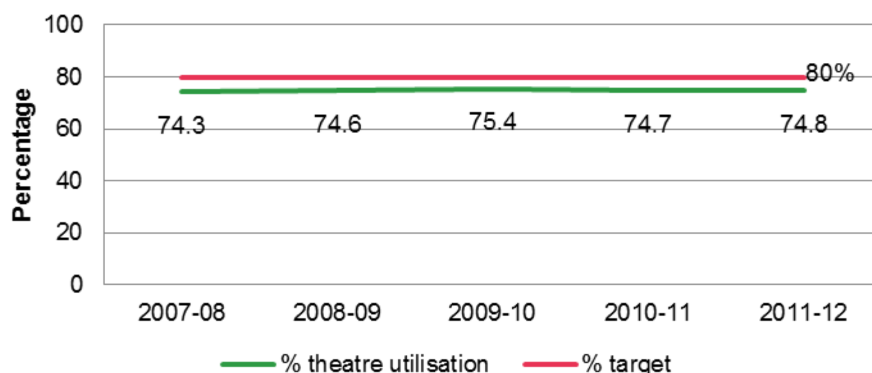
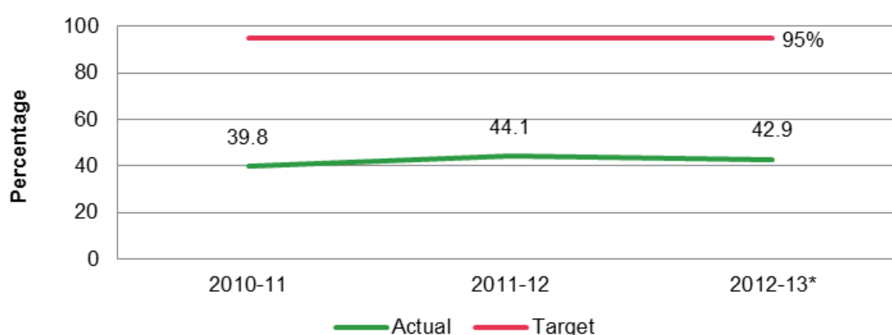
Theatre utilisation rate against target for New South Wales 2007-08 to 2011-12



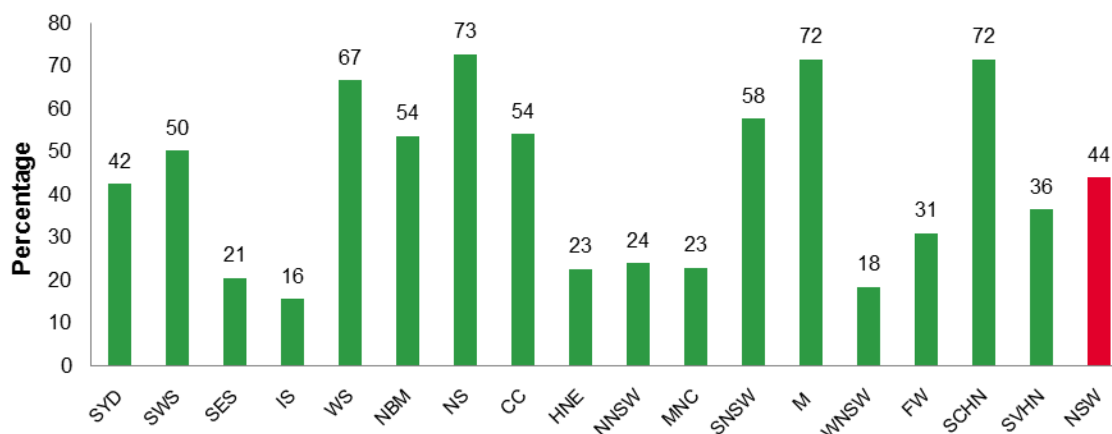
Source: NSW Ministry of Health.

Percentage of first cases of the session commenced on time for New South Wales from 2010-11 to 2012-13



Source: NSW Ministry of Health. Note: * Data only available from July 2012 to December 2012.

Percentage of first cases of the session commenced on time by Local Health District for 2011-12



Key for Local Health Districts:

SYD = Sydney; SWS=South Western Sydney; SES = South East Sydney; IS = Illawarra Shoalhaven; WS = Western Sydney; NBM = Nepean Blue Mountains; NS = Northern Sydney; CC = Central Coast; HNE = Hunter New England; NNSW = Northern NSW; MNC = Mid North Coast; SNSW = Southern NSW; M = Murrumbidgee; WNSW = Western NSW; FW = Far West; SCHN = Sydney Children Hospitals Network; SVHN = St Vincent's Health Network; NSW = Average for all LHDs.

Source: NSW Ministry of Health.

Variation in first case of the session commenced on time percentages by hospital by peer group (July to December 2012)

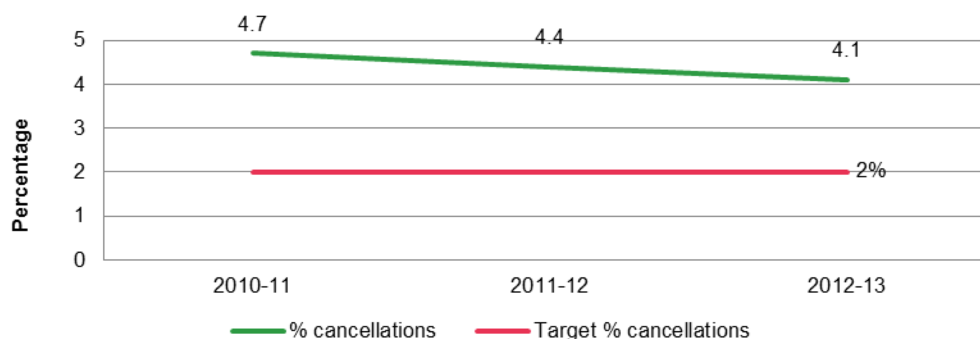
	Peer Group A		Peer Group B		Peer Group C		Peer Group D	
Lowest first case on time rates	Wollongong	18%	Sutherland	8%	Ballina	2%	Wauchope	23%
	Gosford	19%	Shoalhaven	8%	Kurri Kurri	4%	Gloucester	55%
	John Hunter	22%	Manning	9%	Bellinger River	7%	Corowa	56%
Highest first case on time rates	Bankstown	84%	Auburn	68%	Muswellbrook	85%	Springwood	92%
	Royal North Shore	86%	Campbelltown	73%	Young	93%	Temora	100%
	Liverpool	89%	Fairfield	96%	Ryde	97%	Leeton	100%

Key:

Peer Group A = principal referral hospitals (very large hospitals providing a broad range of services, including specialised units at a state or national level); Peer Group B = major hospitals (large metropolitan and non-metropolitan hospitals); Peer Group C = district group hospitals treating less than 10,000 patients per annum (ranging from medium size metropolitan hospitals to smaller rural hospitals); Peer Group D = community facilities offering some surgical services.

Source: NSW Ministry of Health.

Percentage of patients cancelled on planned day of surgery in New South from 2010-11 to 2012-13



Source: NSW Ministry of Health.