



Appendix five – Escalation model for the NSW Health Performance Framework

Point of escalation	Point of de-escalation	Response
Level 0 - 'No performance issues'		
Level 1 - 'Under review'		
Performance issue identified	The issue is satisfactorily resolved.	The health service chief executive will provide formal advice to the Ministry on: <ul style="list-style-type: none">• the factors that led to the performance issue• the intended action to be taken to rectify the performance issue• the timeframe to achieve the recovery.
Level 2 - 'Under-performing'		
The original performance issue that triggered a Level 1 response has not been resolved. Other performance issue(s) emerge warranting Level 2. A governance or management failure or sentinel event occurs warranting escalation to Level 2.	The performance issue/s are resolved and do not re-emerge.	The health service will: <ul style="list-style-type: none">• undertake an in-depth assessment of the problem and identify options to address the problem• provide a detailed recovery plan and a timetable for resolution. The plan is signed off by the board• meet with the Ministry to formally monitor the recovery plan. The time frame for recovery will be as agreed with the Ministry.

Point of escalation	Point of de-escalation	Response
Level 3 - 'Serious under-performance risk'		
Additional support and involvement required from the Ministry, e.g. diagnostic assessment		
Response The recovery plan is not progressing well and is unlikely to succeed without additional support and input from the Ministry.	The revised recovery strategy has succeeded and the performance issue shows no indication of re-emerging in the ensuing three months.	<p>The health service is to develop a recovery strategy satisfactory to the Ministry of Health. The Ministry may require the strategy to include assigning staff identified by the Ministry to work collaboratively with the health service to develop and implement the strategy; or to have a more direct involvement in the operation of the health service.</p> <p>The Ministry may appoint a representative for the specific purpose of assisting the board to effectively oversee necessary performance improvements including attending board meetings for that purpose.</p> <p>The timing and scope of any action will be determined by the nature of the performance issues.</p>
Level 4 - 'Health Service challenged and failing'		
Changes to the governance of the health service may be required		
The recovery strategy has failed and changes to the governance of the health service may be required.	The performance issue has improved and there is demonstrable evidence that the health service now has the capability to have full responsibility for the operation of the service.	<p>The timing and scope of any action will be determined by the nature of the performance issues*. These may include:</p> <ul style="list-style-type: none"> the Secretary of Health commissioning an independent review of health service governance and management capability the Minister requiring the board chair to demonstrate that the CE is able to achieve turnaround within a reasonable time frame the Minister determining to change the membership of the board and/or appointing an administrator.*

* Nothing in this document is to be taken as affecting or limiting the discretion to exercise powers under sections 29, 52 or 121N of the Health Services Act.