

Our Ref: PWO4 – 0422  
Christine McGhie – 08 6152 9196

Dear Panel

### **Independent Governance Review of the *Health Services Act 2016*.**

Thank you for the opportunity to provide a submission to the Independent Governance Review of the *Health Services Act 2016*.

This submission is a joint submission between the PathWest Board and the PathWest Executive.

Please find below PathWest's comments for the panel to take into consideration regarding the governance structures within the WA Health System.

The dual reporting line for the CE to the Director General (DG) and to the Board is confusing and is lacking clarity in terms of roles, responsibilities and accountabilities for performance under the current governance model. These reporting lines need to be reviewed and could be strengthened resulting in greater clarity between Health Service Providers (HSPs), the System Manager and the Minister for Health.

A proposed governance model could be that the CE reports to the Board (Chair) for day to day operations and performance evaluation against an agreed set of KPIs linked to the respective HSP's Strategic and Operational Plans. A dotted line would be to the DG, as System Manager for system-wide direction and for overall alignment against the DoH Strategic Plan, under this model, the recruitment, selection and appointment of the CE would be the responsibility of the Board (Chair) with input from the DG. This model would provide greater clarity than the current reporting framework.

Currently, there is limited co-operation and collaboration between the HSP Board Chairs. Planned, regular meetings at least three (3) times a year, which include time allocated for the DG to join the meeting, would encourage greater sharing of resources and learnings across the system, enabling better integration of policy development and service planning for more effective patient outcomes. At present this happens on an ad hoc basis, more from a reactive, rather than a proactive approach.

The current centralised model has some opportunities for improvement such as finances and allowing HSPs to retain any earnings and surplus funds, to reinvest in infrastructure where required that helps HSPs to be self-sufficient. The creation of a governance structure that supports each of the HSPs, with an annual conference on strategic issues would also provide opportunities to better collaborate, share learnings and achieve greater strategic alignment across the health system.

I look forward to the outcome of the Governance Review and thank you again for the opportunity to provide input on behalf of PathWest

Yours sincerely

A handwritten signature in black ink, appearing to read "Angie".

Angie Paskevicius  
Board Chair  
**PathWest Laboratory Medicine WA**

23 May 2022