

## Corrigendum to: Taking a value based commissioning approach to non-clinical and clinical support services

Trinette Kinsman, Samantha Reid and Hayley Arnott

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The authors advise there is an error with an incorrect district listed on page 156. The correct text should have read:

A pilot project was implemented at Bowral and District Hospital in South Western Sydney based on six core design principles.

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# Taking a value based commissioning approach to non-clinical and clinical support services

Trinette Kinsman<sup>A</sup> (MPH, Principal Policy Officer), Samantha Reid<sup>A,\*</sup> (BSc(Hons), Director) and Hayley Arnott<sup>A</sup> (BHSc, Senior Policy Officer)

For full list of author affiliations and declarations see end of paper

## \*Correspondence to:

Samantha Reid  
NSW Ministry of Health, 1 Reserve Road,  
St Leonards, NSW 2065, Australia  
Email: [samantha.reid2@health.nsw.gov.au](mailto:samantha.reid2@health.nsw.gov.au)

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## ABSTRACT

Value based healthcare beyond the clinical domain is the focus of this case study. We share NSW Health's experiences in achieving value through a focus on outcomes in non-clinical and clinical support services using examples that demonstrate key aspects across the commissioning cycle. These include: the importance of stakeholder engagement in the planning phase to later success; the critical role of non-clinical services in patient experience; the opportunity to facilitate value by introducing new approaches in business areas such as procurement; and the role of clinical supports such as digital enablement to facilitate outcome-focussed clinical models. Applying a value lens to non-clinical services can increase the potential benefits to patients, clinicians and the system.

**Keywords:** commissioning, health services, non-clinical, outcomes, public hospitals, value, value based healthcare.

## Introduction

The primary focus of value based health care is often on clinical care, but it is also crucial to consider the outcomes that we are trying to achieve in the services that support that care and keep health systems running. Non-clinical and other support services are equally important to ensuring that patients receive safe, quality care. Patients rely on these other services for nutritious meals, clean beds, efficient transport, and contemporary equipment and products that aid accurate diagnosis, surgery or management of their condition.

As the largest public health system in Australia NSW Health supports the health and wellbeing of more than 8 million residents.<sup>1</sup> Providing care across the whole patient journey is supported by 228 public hospitals, 15 local health districts, 2 speciality health networks, 5 pillar organisations, 3 statewide health services, 3 shared services, and external partners.<sup>2</sup>

Value based healthcare is fundamental to achieving the NSW Future Health vision: 'A sustainable health system that delivers outcomes that matter to patients and the community, is personalised, invests in wellness and is digitally enabled.'<sup>3</sup> In NSW Health it means continually striving to deliver care that improves value in terms of the quadruple aim across the whole patient journey.

Initial implementation of value based healthcare in NSW Health was through statewide programs: Leading Better Value Care, Integrated Care, Collaborative Commissioning, and Commissioning for Better Value (CBV).<sup>4</sup> CBV aimed to shift the focus from outputs to outcomes to provide better value care, focusing on NSW health services that support patient care.

As understanding and adoption of value based healthcare principles matures, there is now an increased focus on creating an enabling environment that supports everyone across the system to deliver better value as part of usual business practices. For CBV, this means a shift towards embedding a value based approach across the commissioning cycle.

This paper describes examples of implementing value in non-clinical and other support services such as medical imaging, food services, orthopaedics and wound management. Based on NSW Health experiences, we present lessons learned, challenges and considerations that may strengthen future achievement of value in these types of services.

## NSW Health approach to value based commissioning

Value based commissioning is an outcomes-based approach to design, implement and manage health services. It involves identifying the desired outcomes and applying value based healthcare principles to deliver better results for patients, clinicians and other end users. It is an iterative process of continuous improvement that complements existing practices and shifts the focus to outcomes. Although the CBV program initially focused on implementing the approach through services that support patient care, a value based commissioning approach is applicable to any healthcare setting.

The stages of commissioning (Fig. 1) align to project or service planning cycles and support the application of a value based, human-centred approach that prioritises outcomes and collaboration. Like a roadmap, the commissioning cycle supports local teams to innovate and generate solutions to achieve desired outcomes. A key component is early and ongoing stakeholder involvement: working collaboratively with patients, clinicians, service providers, industry, and other stakeholders to understand service needs and identify and develop agreed outcomes.

NSW Health adopted a ‘learning by doing’ approach, initially targeting priority projects. The projects were supported by a small central team to build awareness and capability, embed value in commissioning, and monitor implementation and impact of the CBV strategy.<sup>6</sup> Increasingly, initiatives across NSW Health have applied value based commissioning principles outside of the targeted projects. The case studies below demonstrate how this was achieved and what we have learnt across the commissioning cycle.

## Analysing service needs

Northern NSW Local Health District used a commissioning approach to meet their growing medical imaging service demands to improve outcomes.

The traditional custodians of Northern NSW lands are the Bundjalung, Githabul, Gumbaynggirr, and Yaegl Nations and the district provides diverse healthcare services to more than 300,000 residents across a large area of 20,372 km.<sup>7</sup>

Previous medical imaging services were split across two distinct geographic areas using an operationally focused service model, and access to radiologists was difficult in some areas. The district established strong governance and a small team to commission services focused on value, rather than volume, to deliver better value.

The district analysed the current state environment, drivers for enhancing the service, opportunities to improve radiology services, financial and activity data, and market capacity. Extensive consultation was used to co-design processes to ensure that the feedback and perspectives of their stakeholders informed the design of medical imaging services.

Long-term outcomes focused on high-quality, safe, effective and timely patient care, improved health outcomes for patients, positive patient and clinician experiences, sustainable workforce, efficient resource allocation, seamless and coordinated patient care, and effective service delivery.

## Key lessons

Collaboration and feedback were central to the needs analysis process. Through hearing from and reporting back to clinicians and staff, learning from the market, and engaging appropriate subject matter expertise, a fit-for-purpose and efficient service delivery model was developed.<sup>8</sup>

## Impact of a value based approach

The extensive and genuine collaboration by the district resulted in a co-designed service based on meaningful outcomes. These outcomes were applied to service goals and translated to tender specifications to generate the final contract. The implementation of annual patient and clinician

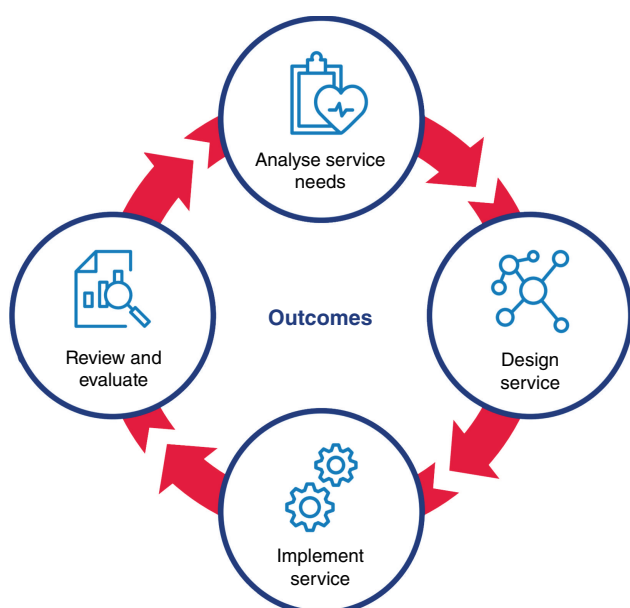


Fig. 1. Commissioning cycle.<sup>5</sup>

experience surveys has enabled better monitoring and opportunities for continuous improvement.<sup>8</sup>

For more information on how Northern NSW used commissioning view <https://youtu.be/1WgsqJGb2ks>.

## Designing services

HealthShare NSW is a statewide shared service supporting patient care across NSW Health. One of its key responsibilities is providing quality meals to patients in NSW public hospitals. In NSW public hospitals, patients receive six meals per day, which in 2022–23 was 25 million meals.<sup>2</sup> NSW Health is working towards making food services more patient-centric and sustainable, without compromising clinical care or patient outcomes.

Project CHEF (Co-Designing Healthy and Enjoyable Food) was implemented to improve the hospital patients' food service experience, improve patient nutritional outcomes, and reduce waste. HealthShare NSW worked with key stakeholders including hospital staff, patients, clinicians and suppliers to understand the current food service models and desired outcomes for the future. This identified a need for more variety, customised options, flexible meal times, increased accessibility, reduced plastic use and food waste to improve sustainability. A pilot project was implemented at Bowral and District Hospital in Southern NSW based on six core design principles<sup>9,10</sup> (Fig. 2).

## Key lessons

A pilot approach helped determine whether the desired outcomes could be achieved. Essential considerations in the application of the design principles included the hospital's

patient cohort, site footprint, and local strategic priorities. The pilot project highlighted challenges in integrating new food service models into new and existing hospital infrastructure.<sup>10</sup> Further refinements of the model will be implemented in 2024 to test scalability across the state.

## Impact of a value based approach

The pilot project was evaluated based on patient experience and safety, and environmental and financial sustainability.<sup>12</sup> The innovative service enabled patients to order meals via their mobile device and eat when they were hungry. Patients benefited from having more control, flexibility and choice of food, and improved nutrition and energy. Staff benefits included increased job satisfaction through a wider variety of food preparation tasks and positive feedback from patients. The pilot project also produced positive sustainability outcomes, with a 52% reduction in food waste.<sup>10</sup>

For more information about Project CHEF view <https://youtu.be/y9v1bYoB0xU>.

## Implementing services

In a novel procurement approach for a statewide contract, industry were invited to respond with proposals that could deliver value-adds to patients, staff and the system beyond the usual focus on product and price. Alternative offers included in the contract enabled Southern NSW Local Health District to implement robot-assisted surgery for orthopaedic hip and knee replacements.

The rural district provides support and care for 211,122 residents across the lands of the Gundungurra, Ngarigo, Ngunnawal and Yuin peoples spanning 44,534 km in the southeastern part of NSW.<sup>13</sup>

The district linked the Robotic Surgical Assistant (ROSA) to their Strategic Elevate program in which staff, doctors and volunteers work together across the district to provide high-quality safe care for the community.<sup>14,15</sup>

## Key lessons

Critical aspects of the district approach that supported successful implementation included:

- development of a program logic model to describe their outcomes, which focused on: clinician satisfaction and experience, patient outcomes and experience, sustainable product and service offering in the market, and improved surgery accuracy;
- engagement with key stakeholders including general managers, executives, district directors of medical service, surgeons and nursing staff throughout the process, to garner support for reduced supplier variation in the hospital, to make the agreement possible;

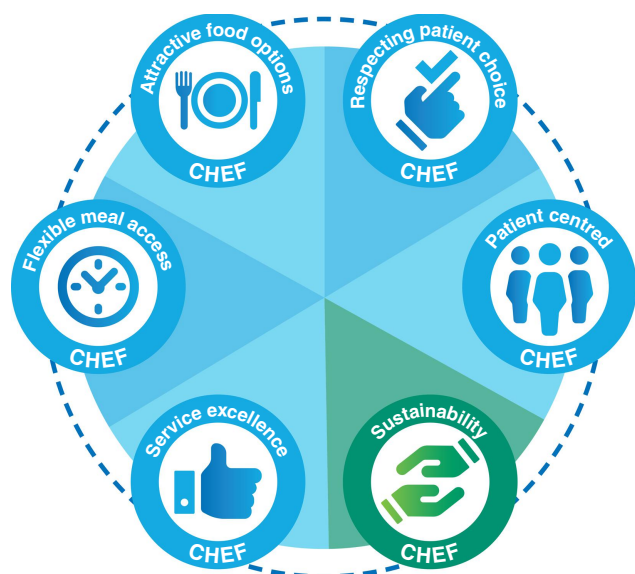


Fig. 2. Project CHEF core design principles.<sup>11</sup>

- partnering with the ROSA supplier to train surgeons and build capability to adopt this practice in the operating theatre to reduce unwarranted clinical variation, and review storage and sterilising logistics; and
- promotion of the benefits of the innovative service delivery model to the community.<sup>16,17</sup>

### Impact of a value based approach

Early evidence and positive feedback has indicated improved accuracy, reduced length of stay, reductions in the number of stocked items, improvements to theatre preparation and turnover time, reduced packaging, decreased waste and storage requirements, and reduced costs per encounter.<sup>14,15</sup> Anecdotal evidence from patients also indicates a positive experience. Further monitoring will provide evidence of whether the assistance of robots contributes to better outcomes, experiences and system efficiencies over time.

### Reviewing outcomes

There are more than 4,000 patients with chronic wounds discharged each year from public hospitals like those in the Sydney Local Health District, 20% of patients are re-admitted due to wounds, and there are more than 100,000 outpatient events.<sup>18,19</sup> Chronic wounds are an under-recognised and growing public health issue in Australia and a significant expense for individuals and the health system.<sup>20,21</sup> Studies of digital wound models of care have demonstrated positive results for patients and clinicians.<sup>22</sup>

Sydney Local Health District cares for the health and wellbeing of more than 740,000 people and is one of the most densely populated districts in NSW, and is rich in culturally and linguistically diverse communities. Traditional custodians of this land are the Gadigal, Wangal and Bediagal people.<sup>23</sup>

The district developed an innovative model of care to measure and achieve outcomes for wound management. The RPA Virtual Wound Care Command Centre™ aims to improve access to wound care, wound healing time, reduce unplanned hospitalisations related to wound issues, reduce patient travel, and achieve higher patient satisfaction and quality of life.<sup>17</sup> Part of achieving this included embedding outcomes in the procurement contract and implementation of a digital wound application, known as Tissue Analytics (TA), which uses artificial intelligence for assessment, management and documentation processes to improve outcomes for patients with complex and chronic wounds.

The application is used by a clinician on a mobile device during a consultation and includes a patient interface to support home management. Data are managed from a secure web dashboard that provides easy access to wound information and analysis.

### Key lessons

The involvement of both patients and clinicians in testing the acceptability and effectiveness of the TA was crucial to determining the impact of this innovative approach. In addition, the collaboration between staff from information and communication technology and nursing was key to the success of the pilot project in the establishment of clear outcomes for measurement. Outcomes included patient and clinician experience with the TA app; reduction in wound size at key points in time; and completeness of wound-related documentation. The pilot study findings demonstrated benefits for wound management that were used to inform further improvements in wound care. Some challenges with the new technology, such as environmental considerations, were identified for further exploration.<sup>24</sup>

### Impact of a value based approach

Evaluation and monitoring showed that the use of TA via the command centre has positive outcomes and experiences for the patient.<sup>23</sup> There is evidence of avoided hospitalisation, reduced length of stay and an increase in total avoided costs. Patients also reported that TA was easy to use.<sup>22,24</sup> The TA application is now being expanded to other hospitals, community nursing and some Hospital in The Home programs.<sup>18</sup>

Watch more about the RPA Virtual Hospital Wound Care Command Centre™ on the virtual care hub <https://www.nsw.gov.au/health/virtual-care-hub/making-a-difference/sydney-local-health-district-digital-wound-model-of-care>.

### Opportunities to strengthen commissioning

Better value health care is supported by using a commissioning approach to plan, fund or purchase and monitor health services. Based on NSW Health's experiences, people applying this approach should consider the following points:<sup>25,26</sup>

- executive sponsorship and leadership backing throughout the process is essential for success;
- stakeholder engagement is key to understanding needs and identifying outcomes that matter;
- collaboratively developing program logic using the quadruple aim refines focus outcomes that can be used throughout the commissioning process;
- building capability and capacity is necessary to ensure that all parties understand the importance of outcomes and to improve confidence in applying commissioning to improve value;
- alternative solutions and market approaches can help harness opportunities with industry that focus on value, while market sounding can test interest, capacity and capability;
- managing probity carefully is particularly important when the commissioner may also potentially be a service provider;



- timely and appropriate consideration of and communication about workforce and industrial relations implications risk and options is crucial;
- metrics and measurement are critical to evaluate outcomes, and need to be translated and used for continuous improvement;
- developing outcomes focused key performance indicators (KPIs) or improving links between KPIs and outcomes is complex and requires skill;
- use of rewards or incentives as opposed to financial abatements may foster more shared responsibility for achieving outcomes; and
- look for ways to embed commissioning principles in existing process, policy, and practice because value based care can be perceived as complex and resource intensive.

Applying these points can help embed a value lens to non-clinical aspects of health care and contribute to achieving the best possible outcomes at the individual, service and system level.

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**Data availability.** The data that support this study will be shared upon reasonable request to the corresponding author.

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**Author affiliation**

<sup>A</sup>NSW Ministry of Health, St Leonards, NSW, Australia.