

Appendix E

Victorian Managed Insurance Authority response



VICTORIAN MANAGED INSURANCE
AUTHORITY
Taking care of risks

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Mr Des Pearson
Auditor-General
Victorian Auditor-General's Office
Level 24, 35 Collins Street
Melbourne 3000.

Dear Des,

Thank you for the opportunity to review the updated draft audit report on "Patient Safety in Public Hospitals". As the medical indemnity (MI) insurer for Victorian public hospitals we are committed to addressing the issues that are leading to MI claims, a class of claims that are predicted to account for two-thirds of the VMIA's future claims liabilities.

In developing our clinical risk management strategy we were conscious of the potential for overlap with other stakeholders. To minimise any duplication of effort we undertook a thorough environmental analysis in preparation of the strategy. The VMIA's "leadership" role in clinical risk management is clear in the following areas:

- Lessons from claims losses
- Incident reporting
- Benchmarking reporting related to incidents and claims
- Risk framework reviews with an emphasis on clinical risks
- Communication to hospitals in relation to the above

In other areas such as:

- Clinical governance
- Clinical risk management training
- Risk management in response to known causes of adverse events

we see our role as one which requires a close working relationship with Dept of Human Services (DHS) and other stakeholders.

As outlined in our earlier response to the first version of the draft report our collaborative efforts with DHS and others include:

- the department's invitation to the VMIA to apply for a position on the new term of the Victorian Quality Council;

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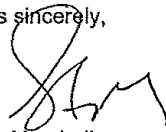
- VMIA membership on the Incident Information System's (IIS) Project Advisory Group. The VMIA and the department are working together to identify common data definitions to support a more thorough analysis of incident data in the long term through the IIS. In the shorter term, the VMIA is currently working with the Riskman service provider to enable incident reporting analysis on current submitted health services' incidences so that a better understanding of system issues are identified and addressed;
- VMIA membership on the department's Clinical Risk Management Reference Group;
- VMIA membership on the department's Clinical Engagement Advisory Group; and
- VMIA attendance at the department's Clinical Networks' Leaders Group.

In relation to the draft VAGO report I make the following comments:

1. Section 3.4.1 last paragraph
The VMIA is confident that potential confusion of roles and responsibilities will be avoided through our demonstrated collaborative approach with DHS. Specific examples of such collaboration, outlined in our earlier response, are also included above.
2. Section 3.6, 2nd paragraph
Any VMIA initiative within the health sector has been initiated in consultation with a specific health service, DHS or both depending on the scope.
3. Section 3.7, 1st paragraph
In our earlier response we emphasised that the VMIA's CRM strategy will not be acted upon independently. Our formal relationships with DHS will ensure that initiatives are mutually agreed and prioritised.
4. Appendix B page 39
We mentioned in our earlier response that the two practicing clinicians are no longer in our employ. We are now focussed on the development of a more strategic, client centred approach that will be implemented in July 2008.

Please do not hesitate to contact me if there are further questions or any aspect of our response that you would like to discuss. Thank you again for the opportunity to participate in the review of patient safety in Victoria.

Yours sincerely,



Steve Marshall