



2017—18

ANNUAL REPORT



ST VINCENT'S
HEALTH AUSTRALIA

Who

WE ARE

Founded by the Sisters of Charity more than 175 years ago, St Vincent's Health Australia is a clinical, research and education leader working in private hospitals, public hospitals, and aged care services in New South Wales, Victoria and Queensland.

Our founder, Mary Aikenhead's vision, commitment and inspiration lives on in us and the work we do. We bring compassion and the love of Jesus to the many who are in need of a word of hope and encouragement, a helping hand, and a listening ear.





OUR MISSION

As a Catholic health care service we bring God's love to those in need through the healing ministry of Jesus. We are especially committed to people who are poor or vulnerable.

OUR VALUES

Compassion, Justice, Integrity, Excellence

OUR CREED

We believe in the dignity of all people because each one is created in God's image. We are committed to justice and compassionate care for all.

OUR VISION

We lead through research driven, excellent and compassionate health and aged care.

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our
SERVICES

6

public hospitals

10


private hospitals

15

aged care
facilities

1,340

RESIDENTIAL AGED CARE BEDS


2,945

HOSPITAL BEDS





1,677

VOLUNTEERS



19,000+

EMPLOYEES

A message
**FROM OUR TRUSTEE,
CHAIR AND GROUP CEO**

Serving, Seeing, Striving for
something
greater



\$2.5_{BN}

Total revenue and other income for the managed group



\$50.5_M

Operating surplus for the managed group for the year ended 30 June 2018.

The statutory group has increased its net assets by

\$140M

including recognition of two new controlled entities due to membership changes, Victor Chang and St Vincent's Institute of Medical Research.

Three years ago, when St Vincent's Health Australia launched its 10-year strategy – enVision2025 – we based our plans on three important pillars: serving something greater, seeing something greater, and striving for something greater.

Serving something greater is all about pursuing excellence in our Mission-related activities.

Jesus healed the sick and walked alongside the poor and vulnerable.

In other words, it's about making sure that whatever initiatives, efforts or decisions we pursue, at any level, we must never lose sight of the Mission of the Venerable Mary Aikenhead to bring God's love to those in need through the healing ministry of Jesus.

Everything we do is ultimately about realising that goal.

Seeing something greater is about delivery, both on our plans for greater innovation and new models of care, but also for growth.

We're happy to report that 2018 was a significant year of delivery, across the organisation.

In our private hospitals division, our plans to grow our existing facility footprint while expanding into strategic growth corridors took on dramatic shape.

In Melbourne, we saw the opening of the new \$67 million St Vincent's Private Hospital Werribee. St Vincent's Werribee is designed and built to meet the future health needs of the city's burgeoning outer west and south-west suburbs.

At St Vincent's Private Hospital East Melbourne, we completed the construction of six brand new and refurbished areas to better serve our patients' needs, including a day oncology and infusion centre, a urology and urogynaecology unit and an adult sleep studies unit.

In Queensland, we opened the new \$30 million Clive Berghofer Operating Theatre Suite at St Vincent's Private Hospital Toowoomba, adding six new state-of-the-art operating theatres.

And in Sydney, with the help of extraordinary generosity by our community of friends, we completed St Vincent's Private Hospital Sydney's new East Wing with 50 additional beds and two new operating theatres.

In our public hospitals, working closely with our university partners and co-located research institutes, the diversity of pioneering breakthroughs and 'world first' research during the year was truly extraordinary.

In our Melbourne hospital, efforts such as the 'just-in-time' implants which use 3D printing, robotic surgery and advanced manufacturing to create tailored implants for patients with bone cancer; the 'Biopen', which uses 3D technology to print live cells to repair damage to cartilage, muscles, tendons and bones; and the 'fitbit for the brain', an implantable device to monitor epileptic seizures and warn patients when seizures are likely, all made headline news.

And St Vincent's Sydney's credentials in precision medicine continued to grow with the Kinghorn Cancer Centre-based Genomic Cancer Medicine Program recognised with a \$50 million grant from the Commonwealth – the largest ever genomics grant in Australia – to expand its work nationally over the next five years.

Meanwhile the St Vincent's Sydney campus' Clinical Services Strategy – a document that will change the face of our work across public, private and our research facilities over 10 years – continued to come to life.

And in our aged care division, it was a year of consolidation as the team bedded down a period of strong growth and change in 2016-17.

The emphasis in our aged care facilities was the sustainability of our operations, as well as augmenting services to residents, particularly in the areas of clinical care and lifestyle.

The fact this was achieved with the lowest rate of Lost Time Injury incidences for any aged care organisation in Australia and New Zealand reflects impressively on the professionalism of our staff.

Striving for something greater is about pursuing excellence in our day-to-day work and aspiring to greater heights, whether that be in providing 'person-centred care', our clinical research endeavours, or in our business operations.

It's about improving and enhancing our workforce, pursuing more efficient facilities, and delivering an even more outstanding safety performance.

But while we strived for, and achieved, excellence across the organisation, we continued to emphasise above all else our commitment to the poor and vulnerable.

In Melbourne, an evaluation showed that, among homeless people, there was a 28 per cent decrease in the number needing to access our Emergency Department, a 34 per cent reduction in the number of unplanned inpatient admissions, and a 30 per cent reduction in length of stay in the six months following their contact with the public hospital's homeless health services, such was their effectiveness.

The evaluation also showed that, overall, these targeted interventions by St Vincent's Melbourne's homeless health services saved the public health system \$1.425 million freeing up valuable resources to be used elsewhere.

We raised our voice on subjects as diverse as ending homelessness, the risks associated with voluntary assisted dying legislation, the unfairness of drug testing income support recipients, and the need to take a more welcoming and humanitarian approach to refugees.

The organisation's activity and advocacy took place against a changing landscape in Australian health care.

Particularly in the area of private health provision, Australians increasingly reconsidered their options when it came to private health insurance as premiums rose and out-of-pocket costs became of greater concern.

This resulted in many people reducing or deferring procedures compared to previous years leading to subdued volume growth in our private hospitals.

St Vincent's Health Australia continued to increase efficiencies to offset subdued revenue growth without impacting the quality of patient care.

At the same time, we also increased our investment in clinical governance standards and technology (IT and medical equipment) to meet the changing needs of our patients and prepare ourselves for the future.

None of our work would be possible, of course, without the commitment, determination, professionalism and enthusiasm of our employees and volunteers.

The managed group finished the financial year with net assets of \$1.2bn

an increase of
\$159M

including recognition of two new controlled entities due to membership changes, Victor Chang and St Vincent's Institute of Medical Research.

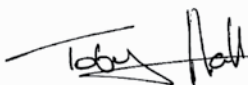
The compassion and standards of care for which St Vincent's is famous is not a product of the bricks and mortar of our workplaces, or the technology we use, however grateful we are for both.

It's a product of 19,000 extraordinary people working together – supported by our many volunteers and generous donors – living out our shared values in often unheralded and hidden ways.

From the kitchens in our facilities, administrative and clinical services, it's our staff and volunteers who live our Mission.

We are grateful to them for all that they do.


Across the organisation, in every division – public, private, aged care and research – our enVision2025 strategy is strengthening and growing our operations so that more and more Australians can know our work and benefit from our care and support.



MR TOBY HALL
Group Chief Executive Officer
St Vincent's Health Australia



MR PAUL ROBERTSON AO
Chair
St Vincent's Health Australia



DR MARIA THERESA HO
Chair
Trustees of Mary Aikenhead Ministries



\$62.6_M

Total surplus for the managed group.



Serving

SOMETHING GREATER



- SVHA's Inclusive Health Program funds over \$3 million in projects researching, developing and delivering innovative and compassionate care to marginalised populations.
- More than half of SVHA's staff complete Inspired to Serve, the organisation's one-day formation program which gives employees a chance to connect with the origins and traditions of St Vincent's. The program is on track to reach all staff over the next two years.
- SVHA plays a lead role in advocating against voluntary assisted suicide (VAD) in Victoria and NSW.
- \$153 million invested in Mission-related services for disadvantaged patients and residents.

SEEING *Something* GREATER

Public Hospitals Division – St Vincent's Hospital Melbourne

- St Vincent's Hospital Melbourne celebrates its 125th anniversary.
- 'Just-in-time' implants – using a combination of 3D printing, robotic surgery and advanced manufacturing – are developed to create tailored implants for patients with bone cancer, dramatically improving outcomes.
- Aikenhead Centre for Medical Discovery researchers successfully test the 'Biopen', which uses 3D technology to repair damage to bones and muscles and prevent osteoarthritis.
- Opening of the Safe Haven Café, an after-hours drop in centre at the hospital designed to provide mental health patients with a support option other than the hospital's Emergency Department.

Public Hospitals Division – St Vincent's Hospital Sydney

- The Kinghorn Cancer Centre-based Genomic Cancer Medicine Program receives \$50 million grant from the Commonwealth – the largest ever genomics grant in Australia – to expand nationally over the next five years.
- Plans for St Vincent's Hospital Sydney's Cahill Cater redevelopment project are submitted to the NSW Ministry of Health. The redevelopment will enable new integrated models of ambulatory care that will reduce inpatient treatment and increase treatment capacity.
- The second season of the National Geographic Channel's Miracle Hospital goes to air profiling the life-saving efforts of St Vincent's staff across both public and private hospitals.
- A project to increase the identification of women experiencing domestic violence at St Vincent's Hospital Sydney's Emergency Department results in 106 women disclosing domestic violence from a current or former partner and receiving support and counselling from a social worker.

Private Hospitals Division

- Opening of the \$67 million St Vincent's Private Hospital Werribee which is designed to serve the health needs of 16,000 people annually.
- Construction and opening of the \$30 million Clive Berghofer Operating Theatre Suite – adding six new state-of-the-art operating theatres – at St Vincent's Private Hospital Toowoomba
- Completion of St Vincent's Private Hospital Sydney's new, 13-storey East Wing with 50 additional beds, a new ambulatory care service, two new theatres, and additional doctors' suites.
- St Vincent's Private Hospital Melbourne becomes the first private hospital in Victoria to install Brainlab Airo technology, providing practitioners with live, in-hospital, in-theatre images that allows them to navigate into the brain and spine and minimise invasive surgery.
- Successful conclusion of the St Vincent's Private Hospital Brisbane and Bupa pilot to provide more choice for Bupa members in terms of their palliative care, with 89% of participants dying in their preferred place of death.

Aged Care Services

- St Vincent's Care Services achieves the lowest rate of Lost Time Injury incidences for any aged care organisation in Australia and New Zealand.
- Successful introduction of a Nurse Practitioner – a senior nurse qualified to treat certain medical conditions without the supervision of a doctor – at three Brisbane facilities under a six-month trial.
- Completion of the 'Eltham Project', a two-year initiative to provide medium-term accommodation for 61 refugees at St Vincent's Care Services Eltham to help the new arrivals successfully acclimatise to their new homeland.

Research

- The St Vincent's Hospital Melbourne Research Endowment Fund distributes over \$1 million dollars in 2017.
- St Vincent's Melbourne researchers develop a 'fitbit for the brain', an implantable device to monitor epileptic seizures and warn patients when seizures are likely.
- The number of clinical research trials on the St Vincent's Sydney campus reach 247, up from 147 in 2013.
- St Vincent's Hospital Sydney is leading a research trial to test whether the drug lisdexamfetamine – commonly prescribed for Attention Deficit-Hyperactivity Disorder in children – can reduce cravings and withdrawal symptoms among people with severe methamphetamine dependence.

Environment

- St Vincent's Health Australia's reduces both its energy usage (by approximately 515,600 GJ, a 6% drop since 2016-17) and its greenhouse gas emissions (a reduction of over 6,000 tonnes CO₂e).
- The organisation's National Energy Action Program – which has included the installation of solar PV panels across our facilities – is projected to deliver annual reductions of 17,546,423 KWh (kilowatt hours) while generating 3,238,565 KWh of clean energy.

STRIVING FOR *Something greater*



- All SVHA facilities meet the core requirements and achieved accreditation with both the Australian Council on Healthcare Standards and the National Safety and Quality Health Service Standards.
- St Vincent's Health's rate of hospital-acquired infections is 0.72 infections per 10,000 patient care days, significantly lower than the national target of less than two per 10,000 patient care days.
- St Vincent's awards 14 grants totalling \$122,616 for staff initiatives which encourage person-centred care and are informed by patient or resident feedback.
- SVHA's 'net promoter score' - or how likely a patient is to recommend our facility to a family or friend for their health care - is 74.6% across all facilities, outstripping the target of 70.
- St Vincent's Health Australia's groundbreaking Ethos program, designed to help build a culture of respect and safety in the workplace, celebrates its first operational year at St Vincent's Melbourne and begins rolling out across three additional facilities.
- St Vincent's Health's Lost Time Injury rate - which measures any full working day, or shift, lost to injury - decreases to 3.76, down from 12.5 in 2013.
- Close to 150 Aboriginal and Torres Strait Islander staff are employed across all St Vincent's Health facilities and offices.

STATEMENT *of* OPERATIONS

	Separations	Outpatient occasions of service	ED Presentations	Births	Theatre procedures	Cardiac catheters	Endoscopies	Beds	Headcount
The Mater	39,538	–	–	2,159	17,977	1,080	3,113	225	1069
St Vincent's Private Toowoomba	15,521	–	12,758	731	6,366	100	3,636	189	677
St Vincent's Private Brisbane	5,272	19,155	–	–	1,344	–	–	149	475
St Vincent's Private Fitzroy	29,249	–	–	2,684	14,853	3,377	–	239	1115
St Vincent's Private East Melb	23,738	–	–	–	15,453	–	–	209	551
St Vincent's Private Kew	5,676	–	–	–	5,646	–	–	41	135
St Vincent's Private Griffith	1,603	–	–	–	1,209	–	–	20	71
St Vincent's Private Werribee	904	–	–	25	561	85	–	80	107
Holy Spirit Northside	35,634	–	12,828	–	10,155	2,757	9,108	227	1,134
St Vincent's Private Sydney	23,781	–	–	–	6,992	2,328	10,155	282	1,364
SVHA Private Hospital Division	180,916	19,155	25,586	5,599	80,556	9,727	26,012	1,661	6,698
St Vincent's Health Network Sydney	44,245	644,201	48,671		7,864	3,743	2,588	503	3,788
St Vincent's Hospital Melbourne	65,209	191,755	48,301		13,838	2,334	5,735	781	6,279
St Vincent's Care Services Queensland	746	–	–	–	–	–	–	893	1,351
St Vincent's Care Services NSW	196	–	–	–	–	–	–	247	529
St Vincent's Care Services Victoria	381	–	–	–	–	–	–	200	188
Aged Care Division	1,323	–	–	–	–	–	–	1,340	2,068
Group Office Staff	–	–	–	–	–	–	–	–	255
Total	291,693	855,111	122,558	5,599	102,258	15,804	34,335	4,285	19,088

– At St Vincent's Private Hospital Fitzroy, East Melbourne, Kew and Werribee, endoscopies are included in theatre procedures.

– Aged Care Division's separations include respite residents and Independent Living residents.

– Aged Care Division's bed numbers are residential aged care only and do not include Independent Living Units or Social Housing.

– St Vincent's Health Network Sydney's outpatient data includes all occasions of services including radiology, telephone support, etc.

– St Vincent's Hospital Melbourne does not include imaging and pathology in its outpatient occasions of service.

– St Vincent's Hospital Melbourne's data includes St George's Health Service, Caritas Christi Hospice and Prague House.

– St Vincent's Health Network Sydney's data includes St Vincent's Hospital Sydney, St Joseph's Hospital and Sacred Heart Health Service.

– St Vincent's Hospital Sydney's bed number reduced temporarily in 2017-18 due to the closure of two wards to accommodate the redevelopment of the bone marrow transplant unit.

PROFIT *or* LOSS

	Statutory group ¹		Managed group ²	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Revenue	2,080,325	1,999,236	2,420,208	2,344,590
Other income	47,551	24,418	55,367	38,503
Total revenue and other income	2,127,876	2,023,654	2,475,575	2,383,093
Employment expenses	1,266,393	1,199,469	1,422,656	1,375,245
Goods and services	651,937	650,480	796,409	780,521
Finance costs	13,588	15,205	13,194	15,382
Depreciation and amortisation	92,327	76,751	106,841	90,434
Other expenses from ordinary activities	76,395	45,074	86,222	54,690
Total expenses	2,100,640	1,986,979	2,425,322	2,316,272
Share of investments accounted for using the equity method	6,430	5,980	208	511
Operating surplus	33,666	42,656	50,461	67,332
Capital funding received	9,057	23,664	11,271	17,364
Fair value gain on business combinations	900	10,792	900	10,792
Fair value gain on residential aged care bed licenses	0	14,100	0	14,100
Total surplus	43,623	91,211	62,632	109,588
Other comprehensive income	845	(314)	845	(314)
Total comprehensive income	44,468	90,897	63,477	109,274

1. These figures have been extracted from SVHA's full consolidated financial statements, which are available on the Australian Charities and Not-for-Profits Commission website. The full consolidated financial statements were given an unqualified opinion by our auditors.
2. The managed group includes St Vincent's Private Hospital Sydney and Holy Spirit Northside Private Hospital who are partners in our health care mission. St Vincent's Private Hospital Sydney is managed on behalf of the Sisters of Charity. Holy Spirit Northside Private Hospital is a 50% joint venture with the Holy Spirit Sisters which is included in the managed group at 100%.

BALANCE SHEET

	Statutory group ¹		Managed group ²	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash and cash equivalents *	176,397	125,447	245,944	174,879
Trade and other receivables	144,328	132,307	156,496	173,728
Inventories	25,575	25,504	31,828	31,624
Investments *	274,272	180,405	274,272	180,405
Current assets	620,572	463,663	708,540	560,636
Property, plant and equipment	1,304,220	1,158,849	1,401,019	1,251,927
Investment properties	36,285	27,980	36,285	27,980
Intangible assets	130,455	124,114	134,224	128,679
Investments *	72,440	69,003	72,440	69,003
Other	66,806	52,367	37,626	27,595
Non-current assets	1,610,206	1,432,313	1,681,595	1,505,184
Total assets	2,230,778	1,895,976	2,390,135	2,065,820
Trade and other payables	250,716	185,818	284,612	215,115
Accommodation bonds and payables	311,272	249,126	311,272	249,126
Member loan	5,068	4,921	5,068	4,921
Borrowings	75,838	90,790	6,913	13,430
Provisions	299,946	277,838	329,668	307,468
Current liabilities	942,840	808,493	937,534	790,060
Payables	6,995	17,995	7,829	19,068
Member loan	81,590	80,693	81,590	80,693
Borrowings	171,453	105,602	161,767	139,835
Provisions	41,385	36,838	46,338	40,258
Non-current liabilities	301,423	241,128	297,525	279,854
Total liabilities	1,244,263	1,049,621	1,235,058	1,069,914
Net assets	986,515	846,355	1,155,077	995,906
	Statutory group		Managed group	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Consolidated cash flow statement				
Net cash inflows from operating activities	156,449	116,349	183,930	164,290
Net cash outflows from investing activities	(214,529)	(217,626)	(228,897)	(232,081)
Net cash flow used in financing activities	109,031	109,451	116,032	81,236
Net increase/(decrease) in cash	50,950	8,174	71,065	13,444
* Combined cash and investments balances includes funds tied to specific purposes or held in trust and can only be spent accordingly. The analysis of cash and investments is as follows:				
Free	189,883	131,898	259,430	174,624
Tied	333,226	242,957	333,226	249,663
	523,109	374,855	592,656	424,287



ST VINCENT'S
HEALTH AUSTRALIA