Election Costing Request Form

Details of request	
Party:	Australian Labor Party (NSW Branch)
Name of Policy:	Nurse to patient ratios
Date of request:	6 February 2019

Description of policy	
Summary of policy (please attach copies of relevant policy documents and include information on what the policy aims to achieve):	See Attachment 1.
Has the policy been publicly released yet?	

	2018/19 $'000	2019/20 $'000	2020/21 $'000	2021/22 $'000	Total $'000
Impact on GGS expenses					
Impact on GGS revenue					
Impact on General Government Sector (GGS) net operating result[1]					
Impact on GGS capital expenditure[2]					
Impact on GGS net lending/borrowing					

Note: Has the policy been costed by a third party?
If yes, can you provide a copy of this costing and its assumptions?

Key assumptions made in the policy	
Does the policy relate to a previous announcement? If yes, which announcement?	

[1] Negative for a saving that reduces expenditure
[2] Negative for a reduction in capital expenditure.

<table>
<tr><td>What assumptions have been made in deriving the financial impacts in your estimated costing?
(See checklist)</td><td></td></tr>
<tr><td>Is there a range for the costing or any sensitivity analysis that you have undertaken?</td><td>Additional nurse numbers would be phased with assumptions of geometric growth. For each element of the policy, the number of additional nurses in the element's first year would be set such that each year's incremental additional nurses grows at a constant annual rate of 50% and reaches maturity at the conclusion of the nominated phase in.

An example of a geometric growth assumption is an accumulated increase in nurse numbers in the manner of the below:

<table><tr><th>YEAR 1</th><th>YEAR 2</th><th>YEAR 3</th></tr><tr><td>X</td><td>X * 1.5</td><td>X * 1.5^2</td></tr></table>
<table><tr><th>…</th><th>YEAR T</th></tr><tr><td>…</td><td>X * 1.5^{T-1} = Y</td></tr></table>
where X is the initial increase, Y is the additional nurses numbers at maturity and T is the period of time of the phase in in years (inclusive of commencement and maturity years).

Please provide disaggregated costs for the various policy components.</td></tr>
<tr><td>Are there associated savings, offsets or, in the case of a revenue proposal, offsetting expenses? If yes, please provide details.</td><td>No.</td></tr>
<tr><td>Are there significant costs or savings outside the forward estimates period which should be considered in costing this policy?[3]</td><td>Please advise of annual costs beyond the forward estimates up to policy maturity.</td></tr>
</table>

[3] Particularly important for large projects with long lead times, policies with a delayed timetable for implementation, or policies where up-front investment is required to achieve long term savings.

Administration of policy	
Intended date of implementation:	1 July 2019
Intended duration of policy[4]:	Ongoing.
Who will administer the policy (e.g. Government entity, non-government organisation, etc.)?	Ministry of Health.
Are there any specific administrative arrangements for the policy that need to be taken into account (e.g. agreements between different levels of government)?	No.
Are there transitional arrangements associated with policy implementation?	..

If the policy is mainly an expenditure[5] commitment	
Demand driven or a capped amount:	Uncapped.
Eligibility criteria or thresholds:	N/a.

[4] Where a policy is intended to be ongoing, please indicate "ongoing" in the space to the right

[5] Expenditure is operating expenses, e.g. salaries, interest cost and grants. Expenditures are fully included in the impact on operating balance.

Attachment 1

1. Emergency:

Minimum ratios of:

	AM	PM	Night
Resuscitation beds	1:1	1:1	1:1
Level 4 – 6 EDs	1:3 + in charge + triage	1:3 + in charge + 2 triage	1:3 + in charge + triage
Level 3 EDs	1:3 + in charge + triage	1:3 + in charge + triage	1:3 + triage
EMUs	1:4	1:4	1:4
MAUs	1:4	1:4	1:4

Phase in annually from 1 July 2020 to 30 June 2024, using assumptions of geometric growth.

Include all currently funded treatment spaces.

Where the number of patients is not divisible by 3, round up.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

Assume existing award requirements for resuscitation beds.

Note for clarification: remove level 2 EDs from costing. Confirm existing Award staffing requirements are not double counted in the costing (eg. Shift co-ordinator, triage.)

2. Paediatric:

Minimum shift by shift ratios of 1:3 + in charge for 2 shifts.

Phase in annually from 1 July 2022 to 30 June 2025, using assumptions of geometric growth.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

Where the number of patients is not divisible by 3, round up.

3. Medical and surgical

Introduction of minimum shift by shift nurse to patient ratios of 1:4 (morning and afternoon) and 1:7 (night) in all medical and surgical wards in NSW hospitals classified under the NSW Hospital peer groups 2016 as peer groups A, B and C.

Additional nursing staff are to be phased in annually from 1 July 2020 to 30 June 2024, using assumptions of geometric growth.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

Where the number of patients is not divisible by 4 (or 7 on night shift), round up.

4. In-charge – A Peer Group

One in charge nurse with no patient load funded on 2 shifts in A group hospitals.

Phased in annually from 1 July 2020 to 30 30 June 2024, using assumptions of geometric growth.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

5. In-charge – B Peer Group

One in charge nurse with no patient load funded on 2 shifts only in B group hospitals.

Phased in annually from 1 July 2020 to 30 June 2024, using assumptions of geometric growth.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

6. In-charge – C Peer Group

One in charge nurse with no patient load funded on one (1) shift only in C group hospitals.

Phased in annually from 1 July 2020 to 30 June 2024, using assumptions of geometric growth.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

7. Midwives

Phase in a minimum staffing requirements for midwives in all postnatal wards in NSW from 1 July 2020 to 30 June 2024, using assumptions of geometric growth.

- Introduce minimum midwife to mother ratio of 1:3 for each shift.

Nursing costs are to be based on the employee costs of a 5th year registered nurse/midwife, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

Where the number of mothers is not divisible by 3, round up.

Note for clarification: Confirm that existing funded staffing for postnatal midwife hours in hospitals that apply Birthrate Plus has not been double counted in the costing provided. Revise the costing previously provided to exclude provision for in charge midwives.

8. Specialling

Extra nurses be brought onto shifts to meet all "specialling" care needs in NSW hospitals classified under the NSW hospital peer groups 2016 as peer groups A, B and C.

Implement in full from 1 July 2019.

These additional nurses are to be additional to the introduction of minimum nurse to patient ratios of 1:4 (AM and PM) and 1:7 (night) in all medical and surgical wards in peer group A, B and C hospitals.

The PBO costing received says there is no state wide definition of the term 'special' so is assumed to be an additional resource required to provide care to a patient with clinical needs greater than what is usually required by patients on a relevant ward.

The additional need may result from behaviour or mental health disturbances or from increased severity of the medical condition or co-morbidities.

It is assumed that the nurses providing specialling care are over and above the nurses that are required to meet the prescribed nurse- to-patient ratios costing.

Nursing costs are to be based on the 2018-19 registered nurse 5th year workplace awards, escalated by 2.5% per annum. Costs include salaries, shift penalty rates, workers compensation and superannuation, and an 18.7% leave loading relief is also factored into the cost to reflect shift employment patterns.

9. Mental health

Introduction of minimum shift by shift ratios in the (approximately 37) acute adult mental health units currently applying the Award (5.5 or 6) nursing hours system, of:

1:4 plus in charge on all morning and afternoon shifts

1:7 plus in charge on night shift

Phase in annually from 1 July 2022 to 30 June 2024, using assumptions of geometric growth.

Where the number of patients is not divisible by 4 (or 7 on night shift), round up.

Further require that from 1 July 2019, patients in these units assessed as needing "level 1" observations according to MOH PD 2017_ 025, the staffing shall be increased to provide 1:1 on all shifts for those particular patients.

Further require that from 1 July 2019, patients in these units assessed as needing "level 2" observations according to MOH PD 2017_ 025, the staffing shall be increased to provide 1:2 on all shifts for those particular patients.

Note for clarification: if it is not possible to distinguish how many beds are occupied by patients needing level 1 and 2 observations, calculate the costing using a reasonable but not excessive estimate.