

**Casterton Memorial Hospital**



**BY – LAWS**

*of the*

**CASTERTON MEMORIAL HOSPITAL**

**MAY, 2005**

<b>By-Laws of the Casterton Memorial Hospital</b>
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**1. Introduction.**

These by-laws shall come into operation on the First Day of May, 2005.

1.2 All By-Laws in force prior to the adoption of these By-Laws are hereby repealed.

**2. Incorporation.**

Casterton Memorial Hospital is incorporated as a public hospital under the Health Services Act 1988.

**3. Definitions.**

“The Hospital” means Casterton Memorial Hospital.

“The Act” means the Health Services Act 1988 (Vic) as amended.

“Board” means the Board of Management of the Hospital.

“Committee” means a Committee established by the Board for the discharge of its business, subject to Board approval.

“Credentials” in relation to an appointed practitioner means an accreditation granted by the Board of Management permitting that practitioner to perform such work as is specified in the instrument of accreditation.

“The Department” means the Secretary of the Department of Human Services (or delegate).

**4. Vision Statement.**

To provide appropriate Health, Aged, Residential & Primary Care services to Casterton and District and seek to improve access for rural consumers to healthcare and related services.

To ensure that our services will be supported by appropriate resources and subject to on-going standards, risk management and quality improvement assessment.

**5. Objects of the Hospital.**

**Service Provision:**

- to operate the business of a public hospital, as authorised by or under the Act;

Objects of the Hospital - Service Provision cont/...

## By-Laws of the Casterton Memorial Hospital

- to operate residential care facilities and provide other services for older people and people with disabilities ensuring that at all times these facilities comply with the Quality of Care and User Rights Principles pursuant to the “Aged Care Act 1997 (Cth)”
- to operate a centre for community health service and provide primary and ancillary health care and community services, including home based care;
- to provide health care to all members of the community whether as inpatients, outpatients, residents, or domiciliary patients, achieving the highest standard of patient, resident and client care;
- to carry on any other business that may be conveniently carried on in connection with the business of the public hospital and residential care facility or calculated to make more profitable any of the Hospitals assets or activities;
- to monitor and evaluate all services and up-grade on a continual basis with reference to community needs now and for the future.
- to provide continuous education to staff to ensure human resources are of the highest possible standard for the provision of optimum care.

### **Quality.**

- to meet the standards set by the Australian Council on Healthcare Standards for quality and service evaluation.
- to ensure all staff develop an understanding of quality and service evaluation activities, including the importance of encompassing all the required elements in their continuous improvement projects.
- to develop and maintain Clinical Governance and Risk Management systems and reporting mechanisms.

### **Human Resources.**

- to select and develop staff to ensure high quality, professionally delivered health care.

[Human Resources cont/...](#)

- to provide a safe environment for each staff member to work in.
- to create an environment where staff have a strong commitment and common identity with the Hospital and its performance.

#### **5.4 Physical Resources.**

- to ensure the provision and maintenance of physical facilities, equipment and supplies to promote and assist in the efficient operation of the Hospital.
- to maintain a safe and healthy environment and workplace.

#### **5.5 Financial Resources.**

- to achieve the objects of the Hospital within a budget designed to ensure long-term sustainability and viability.

#### **5.6 Community Communication.**

- to consult with and inform with the community regarding Hospital developments, strategies and activities.
- to ensure service provision meets community needs.
- to ensure the public and community profile of the Hospital is maintained with the highest regard.

#### **5.7 General.**

- to do all such things as are incidental or conducive to the attainment of these objects of the Hospital.

### **6. Board of Management.**

- 6.1 There shall be a Board of Management (the Board) for the Casterton Memorial Hospital whose function and composition are prescribed by the Act (Sec 33 (2) ).
- 6.2 The Board of Casterton Memorial Hospital shall consist of not less than six (6) and not more than twelve (12) natural persons.
- 6.3 The procedure of the Board of Casterton Memorial Hospital shall be at all times in the discretion of the Board to determine as per the Act (section 37).

Board of Management cont/...

## By-Laws of the Casterton Memorial Hospital

- 6.4 The Board may make rules, not inconsistent with or these By-Laws, and may authorise any officer or employee of the Hospital as the Board determines to make administrative orders not inconsistent with the Act or these By-Laws or the said rules for the administration of the Hospital.
- 6.5 There shall be elected from amongst the members of the Board, a President and such other Officers as it may appoint who shall each hold office for a period of one year and be eligible for re-election at the first meeting of the Board after the next annual meeting.
- 6.6 A person shall not be elected for more than three (3) consecutive terms unless by a two thirds majority vote of the Board seeking to extend that persons term of office.
- 6.7 All members of the Board shall participate in annual individual performance appraisals and joint Board performance review.
- 6.8 Four (4) members of the Board shall constitute a quorum.
- 6.9 There shall be an Executive Committee consisting of office bearers elected under By-Law 6.5 and the immediate past President, where the immediate past President remains as an appointed member of the Board.
- 6.10 The membership to the Executive Committee by the immediate past President is limited to one year only.
- 6.11 Voting shall be by a show of hands and in the event of a tied vote, the Chairperson of the meeting shall have, as well as a deliberative vote, a casting vote.
- 6.12 Any member of the Board who has a direct or indirect material financial interest in any mater brought before the Board for discussion shall disclose that interest forthwith to the other Board members and shall not be present during discussion on the matter or entitled to vote upon that matter.
- 6.13 The official seal of the Casterton Memorial Hospital shall be affixed to any document requiring execution under seal by resolution of the Board and by the President and Chief Executive Officer or any two (2) Board members and the Chief Executive Officer.

### **7. Meetings of the Board.**

The Board shall meet at least ten (10) times during each year, at such place and at such time as the Board may from time to time determine.

Meetings of the Board cont/...

The Chief Executive Officer, upon receiving a request in writing from not less than a number of Board members constituting a quorum must call an extraordinary meeting of the Board and notify all Board members of the purpose for which the meeting is being called.

Written notice of each meeting shall be served on each member of the Board, by delivering it to ensure it arrives, in the case of ordinary meetings, five (5) days, and in the case of extraordinary meetings, two (2) days, prior to the meeting being held.

- 7.4 Failure by any member of the Board to receive due notice of any meeting of the Board shall not invalidate the proceedings of that meeting.

## **8. Chief Executive Officer.**

The Board shall appoint a Chief Executive Officer in accordance with the Act who shall be responsible for the day to day management, including financial management of the Hospital.

## **9. Committees.**

- 9.1 The Board may delegate its executive authority (other than its power of delegation ) to any employee of the Hospital or to a committee.

- 9.2 In addition to any other committees the Board may establish, it shall ensure that committees are established to cover the following key areas;

- Quality
- Audit
- Medical Appointments
- Credentials

- 9.3 Committee members shall be appointed by the Board for a period of twelve (12) months and may be eligible for re-appointment.

- 9.4 Each committee established by the Board shall report to the Board in respect of its meetings and deliberations in a manner in which the Board directs.

- 9.5 The Board shall appoint each committee chairman.

- 9.6 The quorum for each committee unless otherwise specified in these by-laws will be in the case of an odd number of members, a majority of members, or where there is an even number of members, one half the number of members plus one.
- 9.7 Should a vacancy occur on any committee it shall be for the Board and not the committee to fill the vacancy.
- 9.8 Committees may not co-opt members without the approval of the Board.

## **10. Quality Improvement.**

There shall be a Quality Committee which is responsible to the Board of Management for coordinating the planned and systematic monitoring and assessment of care provided and services delivered within the hospital.

This Committee will ensure that a Quality Improvement Plan is developed on an annual basis and endorsed by the Board of Management.

The Committee shall be responsible for;

- a). coordinating the planned and systematic monitoring and assessment of quality care provided and services delivered within the Hospital, action taken to rectify problems or improve care / service and the evaluation of action taken;
- b). ensuring that without identification of patients or providers, information concerning recommended action is conveyed to relevant committee or sub-committees, and directly through the Quality Committee to the Board of Management and other Hospital personnel as required;
- c). receiving reports from committees, sub-committees and groups as designated in the Hospitals Quality Improvement Plan;
- d). overseeing the multidisciplinary development of the Australian Council on Healthcare Standards Evaluation and Quality Improvement Program;
- e). reviewing quality of health services provided by the hospital, including the review of clinical practices or clinical competence of providers.

Quality Improvement cont/...

The Quality Committee shall consist of;

- A) Three (3) nominees from the Board of Management;
- B) The Manager of Nursing Services or his / her nominee;
- C) One or more representatives of the Visiting Medical Officers (with a maximum of three (3) voting representatives)
- D) Two (2) Quality Improvement Officers;
- E) The Chief Executive Officer;
- F) Residential Care Unit Manager.

## **11. Ethics Review.**

The Board of Management will consider matters of ethics in relation to services and decisions required by the Board as are presented.

The Board when required to deliberate on such matters will refer for advice to the Southern Healthcare Network Human Ethics and Research Committees relevant body.

A formalised relationship is in place between the Casterton Memorial Hospital and Southern Health for provision of service and advice in such matters.

## **12. Annual Meeting.**

The annual meeting of the Hospital will be advertised and held in the manner set *out in the Act (Sec 36)*.

## **13. Annual Report.**

The annual report of the Hospital will be prepared and submitted by the Board in accordance with the Act and the provisions of the Financial Management Act 1994 and any other relevant Act.

## **14. Auditors.**

The Hospital will comply with the provision of the Act and the Audit Act 1994 and any other relevant Act in providing for audit of the financial statements of the Hospital by the Auditor-General.

## **15. Audit Committee.**

15.1 There shall be an Audit Committee to provide advice and information to the Board of Management in relation to financial management,

internal audit program and financial governance. This Committee will report to the Board and has its roles and functions established under the Committees Terms of Reference.

15.2 The Audit Committee shall consist of;

Three (3) members of the Board of Management one of whom shall be appointed as Board Audit Officer and Chairperson, Chief Executive Officer, Finance Officer and external independent audit officer as may be required.

15.3 The Audit Committee will meet four times per annum.

## **16. Investment.**

The Hospital may invest money in any manner authorised by law for the investment of trust funds (Section 29), subject to Sections 24.1 and 24.2 of these by-laws.

## **17. Confidentiality.**

The requirements of confidentiality specified in the Act (Section 141) shall be observed. Subject to those requirements, the internal business of the Hospital, Board, any committee or sub-committee shall be confidential where the Board so decides.

## **18. Obligations of All Hospital Staff.**

All persons appointed to the staff of the Hospital shall comply with the by-laws and policies of the Hospital and shall observe any decisions by the Board regarding the confidentiality of any matters the Board directs shall remain confidential.

## **19. Medical Staff.**

19.1 The Board shall appoint medical staff under such designations and categories as the services of the Hospital require, after having sought advice, other than with respect of resident medical staff and appointments of less than three (3) months duration, of the Medical Appointments Advisory Committee.

19.2 The medical staff shall consist of all practitioners in any of the following designation.

Medical Staff cont/...

19.2.1 Visiting Medical Practitioners.

a). Visiting Medical Staff

The visiting medical staff shall provide services to hospital patients and, subject to the conditions of appointment, private patients.

b). Relieving Assistant Medical Staff

Relieving assistant medical staff shall provide services to hospital patients either in the form of providing assistance to another practitioner appointed to the staff of the Hospital, or to relieve such practitioner. The practitioner will have the rights and responsibilities as determined by the Board.

c). Consulting Medical Staff

The duties and rights of the consulting medical staff shall be such as are determined by the Board from time to time.

19.2.2 Affiliated Medical Staff.

Affiliated medical staff shall provide services only to their private patients under such conditions as the Board shall specify. They will have rights and responsibilities as determined by the Board, but will not be involved in the management of hospital patients.

19.2.3 Salaried Medical Staff.

Salaried medical staff shall include all practitioners employed under the terms and conditions of prescribed by the Hospital Senior Medical Officers Award. Such practitioners are members of the medical staff and shall be eligible for appointment to the visiting medical staff on such terms and conditions as are determined by the Board.

19.2.4 Sessional Medical Staff.

Sessional medical staff shall include all practitioners engaged under the terms and conditions of the Sessional Medical Contract.

Medical Staff cont/...

19.2.5 Resident Medical Staff.

Resident medical staff shall include practitioners employed under the terms and conditions prescribed by the Resident Medical Officers Award.

19.2.6 Visiting Medical Fellows.

Visiting medical fellows shall include practitioners as the Board shall determine and shall have such rights and responsibilities in respect of hospital and private patients as the Board shall determine.

- 19.3 All visiting practitioners shall have professional responsibility for the treatment of their private patients. Patients must be cared for by a practitioner who has been appointed to provide services to private patients. Patients who request private treatment and have no attending practitioner may choose a practitioner from a list provided by the hospital.
- 19.4 All practitioners shall have professional responsibility for hospital patients allocated to their care.
- 19.5 All practitioners shall provide medical, diagnostic or surgical services within the areas for which they have been appointed by the Board of the Hospital.
- 19.6 The Chief Executive Officer will ensure that on-call rosters for practitioners who are registered to provide emergency services, or responsible for the care of hospital patients on any day on which they are on duty, will be drawn up after consultation with the practitioners concerned.
- 19.7 All practitioners shall ensure that a medical record, adequate for the on-going management of the patient, is maintained for each patient treated by the practitioner.

**20. Medical Appointments Advisory Committee.**

The Medical Appointments Advisory Committee shall consist of the President, who shall be Chairperson, two members of the Board, not being medical practitioners, elected by the Board, Director Medical Services, and Chief Executive Officer, two members of the Visiting Medical Officers Association appointed by the Board and one person nominated by the specialist medical college, faculty or associating appropriate to the appointment under consideration.

Medical Appointments Advisory Committee cont/...

The Medical Appointments Advisory Committee shall meet as necessary, and after each meeting shall report to the next meeting of the

Board.

The Medical Appointments Advisory Committee shall advise the Board regarding appointments to, suspension and removal from office of practitioners as required. In the case of initial appointments and re-appointments the committee shall act on the advice of the Credentials Committee with respect to the care of clinical responsibility which the practitioner may exercise but it shall be the responsibility of the Medical Appointments Advisory Committee to recommend to the Board whether a particular practitioner could be appointed.

## **21. Credentials Committee.**

- 21.1 There shall be a committee to be known as the Credentials Committee, which is responsible for defining the clinical credentials of all medical practitioners (other than Resident Medical Officers) working within the hospital.
- 21.2 Membership of the Credentials Committee shall be limited to medical practitioners *registered under the Medical Practitioners Act 1994*.
- 21.3 The Credentials Committee shall consist of;
  - i). The Director of Medical Services, or a medical practitioner nominated by the Board who shall be Chairperson of the Credentials Committee;
  - ii). Two (2) persons from the Visiting Medical Officers Association.
  - iii). The Chairperson of the Medical Appointments Advisory Committee, or a member of that Committee, being a Medical Practitioner;
  - iv). A minimum of one (1) representative nominated by the specialist medical college, or a member of that committee, being a Medical Practitioner.

Questions arising at a meeting of the Credentials Committee shall be decided by a majority of votes. In the case of a tied vote, the Chairperson shall have, in addition to his / her deliberative vote, a casting vote.

### Credentials Committee cont/...

- 21.4 At any meeting of the Credentials Committee where the clinical credentials of a member of that committee are to be considered, that

members place must be vacated and such consideration commences and not resumed until all consideration been concluded. The member should be replaced at the meeting by a medical practitioner who is eligible to fill the category which the disqualified practitioner represented.

- 21.5 An applicant for appointment to the Medical Staff shall submit an application to the Board which shall refer the application, in the first instance, to the Credentials Committee.
- 21.6 Any accredited practitioner may, at anytime, apply to the Board for variation of credentials. The Board shall refer the application to the Credentials Committee.
- 21.7 The Board is responsible for defining the clinical credentials of each practitioner and shall do so, following assessment by the Credentials Committee, upon receiving the recommendation of the Medical Appointments Advisory Committee in the case of appointments and re-appointments and, in any other case, on the advice of the Credentials Committee.
- 21.8 The Credentials Committee shall;
  - i). Assess the professional expertise, competence, reputation and authenticity of the qualifications of each applicant for varied credentials, through examination of the applicants training, experience professional reputation, knowledge and demonstrated skill;
  - ii). Define the area of clinical responsibility which a practitioner shall exercise in the Hospital; and
  - iii). Keep a record of the qualifications and professional career of every member of the medical staff.
- 21.9 In defining the area of clinical responsibility for which a practitioner is appointed to a hospital, the Credentials Committee shall have regard to the facilities and supporting services available in that Hospital.
- 21.10 The Board may, at anytime, direct the Credentials Committee to review the credentials of a practitioner and make a recommendation to the Board concerning the variation or revocation of those credentials.

Credentials Committee cont/...

- 21.11 Within fourteen (14) days of reaching a decision on an appointment, or re-appointment or variation, or revocation of credentials, the Board

shall notify the practitioner and Chairperson of the Credentials Committee of the decision. Where credentials have been granted the notification shall detail the kind and extend of the credentials.

Where credentials have been revoked or varied the reasons for doing so must be stated.

- 21.12 A member of the medical staff aggrieved by a decision of the Board;
- i). To vary or revoke credentials; or
  - ii). Not to recognise or renew credentials which had been applied for, may appeal within thirty (30) days of receipt of the notice, to the Credentials Appeals Tribunal which must hear the case within thirty (30) days of receipt of the application.
- 21.13 The Credentials Appeals Tribunal shall consist of;
- i). A person nominated by the specialist medical faculty or association appropriate to the case in question, who shall be the Chairperson;
  - ii). A person nominated by the Board; and
  - iii) a person nominated by the appellant.
- 21.14 The Tribunal may, either on its own motion, or at the request of any of its members, call for written or verbal comment from relevant medical practitioners as to clinical competency of the appellant in the area of dispute.
- 21.15 The appellant may appeal before the Credentials Tribunal in person or may choose to be represented by an agent whose principal occupation is not that of practising barrister or solicitor.
- 21.16 Hearings of the Credentials Appeals Tribunal shall be closed.
- 21.17 Questions arising at a meeting of the Credentials Appeals Tribunal shall be decided by a majority of votes. In the case of a tied vote, the Chairperson shall have in addition to a deliberative vote, a casting vote.
- 21.18 The Credentials Appeals Tribunal may only hear matters relating to the clinical competency of the appellant in the area in dispute.

Credentials Committee cont/...

- 21.19 Where the Credentials Appeals Tribunal is satisfied that a decision of the Board in respect of the credentials of a practitioner was

substantially influenced by its views on the clinical competency of the practitioner and those views are found to be incorrect, then the Tribunal may make a determination as to the practitioners credentials.

- 21.20 The Board of Management shall accept the determination of the Credentials Appeals Tribunal.

## **22. Disposal of Assets Prior to Amalgamation or Closure.**

- 22.1 Upon amalgamation or closure any assets of the Hospital funded by the Commonwealth shall be dealt with in accordance with any funding conditions contained in any agreement between the Hospital and the Commonwealth and all other assets shall be dealt with in accordance with the Act.
- 22.2 No portions of the assets or income of the Hospital shall be distributed directly or indirectly to members of the Board except as bona fida compensation for the services tendered or expenses incurred on behalf of the Hospital.
- 22.3 The Hospital will comply with guidelines and policies issues by the Department governing the acquisition and disposal of assets.

## **23. Hospital Seal.**

The Board shall provide for the safe custody of the Official Seal of the Hospital.

The Seal shall not be affixed to any deed, instrument or writing except by order of the Board.

The Seal shall be affixed in the presence of two (2) members of the Board and the Chief Executive Officer who shall testify by their signatures that the Seal has been duly affixed.

## **24. Funds Investment.**

- 24.1 The Board authorises that Hospital funds will only be invested by the Executive with the National Australia Bank Ltd, Westpac Banking Corporation, Australia & New Zealand Banking Group Ltd and Commonwealth Bank of Australia.

### Funds Investment cont/...

- 24.2 Where it is proposed that there be an addition to the approval investment vehicles as prescribed in Section 24.1 of these by-laws, a

special meeting of the Board is to be called by the Chief Executive Officer with a unanimous vote of the Board being required to approve any proposed institution for investment of funds.

## **25. Life Governors.**

- 25.1 A Life Governor shall be any person who is a Life Governor of the Hospital at the date these by-laws come into operation, or being eligible under the by-laws, is appointed a Life Governor of the Hospital by the Board.
- 25.2 Appointment of a Life Governor shall be made by a majority vote of the Board and that person shall be enrolled as such in the books of the Hospital and entitled to a certificate of appointment.

## **26. Intellectual Property.**

- 26.1 All discoveries, inventions and improvements in any device, process, chemical, chemical, biological substance or the like, made by members of staff or students of the Hospital in the course of their duties or studies shall, unless otherwise determined by the Board, be the property of the Hospital.
- 26.2 The Hospital may, at the discretion of the Board, reward the inventor(s) of any discovery, invention, improvement in any device, process, chemical, biological substance or the like patented by the Hospital.

## **27. Rules and Administrative Orders.**

- 27.1 The Board of Management may make rules, not inconsistent with the Act or these by-laws, and may authorise any officer or employee of the Hospital as the Board of Management determines to make administrative orders not inconsistent with the Act or these by-laws or the said rules, for the administration of the Hospital.
- 27.2 All rules made by the Board of Management and administrative orders made by any officer or employee of the Hospital under the authority of any by-laws repealed by these by-laws, and in force immediately before the coming into operation of these by-laws (so far as the same are not inconsistent with or repugnant to the Act or these by-laws) shall be deemed to have been made under these by-laws.

## **28. Directions and Conditions of Funding Issued by the Department.**

- 28.1 The Board of Management shall comply with any directions given under the Act and any conditions of funding.

28.2 These by-laws are subject to and construed in accordance with the Act.

In the case of any inconsistency between these by-laws and the Act, the Act shall prevail to the extent of such inconsistency.

**29. Auxiliaries and Support Groups.**

29.1 The Board of Management may promote the formation of such auxiliaries and support groups as it deems expedient and may authorise the raising of funds by such auxiliaries and support groups for the purpose of the Hospital.

29.2 For good cause shown the Board of Management may withdraw any such authority given.

**30. Amendment.**

Subject to the Act, the Hospital may alter or amend these By-Laws at anytime, subject to the necessary approval.

**31. Certification.**

We, the undersigned being the President and Chief Executive Officer respectively of the Casterton Memorial Hospital, hereby certify that the by-laws contained on the attached sixteen (16) sheets of typescript, all of which have been signed by us, are the by-laws made by the Board of the Hospital pursuant to the provisions of the Health Services Act, 1988 and approved by the Department.

\_\_\_\_\_  
(Dr Timothy Halloran, B.D.S., B.Sc) **President**

\_\_\_\_\_  
(Mr Owen Stephens, B.Bus, A.C.H.S.E.) **Chief Executive Officer**

26<sup>th</sup> May, 2005. **Date**

