Royal Commission into Aged Care Quality and Safety

Statement of Linda Rae Hudec

Name: Linda Rae Hudec

Date of birth: [redacted]

Address: [redacted]

Date: 14 November 2019

1. This statement made by me accurately sets out the evidence that I am prepared to give to the Royal Commission into Aged Care Quality and Safety. This statement is true and correct to the best of my knowledge and belief.

Professional background

2. I am currently employed as a Clinical Operations Manager for NSW Health Murrumbidgee Local Health District based in Albury. I have been in this role since 25 March 2019. I was previously employed by Bupa Aged Care Australia Pty Ltd (Bupa) between December 2011 and January 2019 in various roles:

   2.1. March 2018 to January 2019 - Head of Clinical Service Improvement (CSI), Sydney, NSW;

   2.2. January 2016 to March 2018, Regional Director, Melbourne, VIC;

   2.3. December 2011 to January 2016 - General Manager, Wodonga, VIC.

3. Prior to Bupa I held various positions in health and aged care roles:

   3.1. October 2010 to December 2011 - Mercy Health Hospital Albury - Deputy Director of Nursing Albury, NSW;

   3.2. February 2009 to October 2010 - Lutheran Aged Care - Care Coordinator Albury, NSW;

   3.3. March 2006 to February 2009 - Baptist Community Services NSW & ACT – Manager of Residential Services, Canberra, ACT;

   3.4. October 2003 to February 2006 - Lutheran Aged Care - Director of Nursing Albury, NSW;

   3.5. December 2002 to October 2003 - Albury Base Hospital - Perioperative Registered Nurse East Albury, NSW;

3.6. July 2001 to December 2002 - Alice Springs Hospital - Perioperative Registered Nurse/ICU Registered Nurse, The Gap, NT;

3.7. January 2000 to July 2001 - St John of God Ballarat Hospital - Perioperative Registered Nurse, Ballarat, VIC.

4. I am a Registered Nurse. I am studying an MBA in Healthcare Management. I have a Graduate Certificate in Gerontology and, a Diploma in Leadership and Management.

Briefly explain your understanding of the purpose and operation of each of the following measures or processes (internal audits) at Bupa:

5. Care Home Clinical Mock Audits: Mock audits were designed to support care home leadership teams prepare for accreditation and assess the care homes against the Quality of Care Principles 2014 to ensure safe and effective care is delivered. However, as I state in paragraph 45, the Mock Audits focused on work instructions, rather than the Accreditation Standards. These audits would be completed in preparation for their upcoming re-accreditation site audit. A Clinical Governance Consultant (CGC) would attend a pre-arranged site visit and assess the care home reviewing evidence such as resident files/histories, care home quality folders, education folders, personnel files, complaints and feedback documentation, etc. The CGC would provide an exit interview to discuss the initial findings with the General Manager (GM) and care home leadership team. The CGC would then prepare and send the draft Care Home Clinical Mock Audit Report (Mock Audit Report) to the Clinical Governance, Safety and Assurance Manager (CGS&AM) who would review it. The final report would be sent to the Regional Manager (also known at times as the Regional Director or Operations Manager) (RM) and the GM. The GM and/or the RM would be encouraged to meet with the CGC for a debrief of the Mock Audit Report and support the GM/RM to build a continuous improvement plan (CIP) to commence working towards rectifying the identified gaps. The CIPs would be documented in the AWS system and later the RiskMan system (RiskMan was the new electronic incident management system implemented in mid-late 2018 in place of AWS). The GM and RM were then expected to report the improvements back to the CSI team within 8 weeks to ensure each had been completed and evaluated. It was the responsibility of the GM and the RM to ensure this process was adequately completed.

6. In addition to the mock audit, Bupa's Property team would undertake a pre-accreditation site audit to review the home's compliance to the Quality of Care Principles 2014 relating to living environment, inventory and equipment, fire safety, cleaning and infection control – in relation to chemicals, equipment, etc. These audits were scheduled, prepared, conducted, documented and reported directly between the Bupa Property team and the care home maintenance officer, chef and the care home GM and RM.

7. Care Home Self-Assessments: Self-assessments were designed to be a self-assessment tool for care home leadership teams to use to self-assess their performance at any time. Care home managers were encouraged to utilise this tool at any time where they felt a deeper more robust review was required than the scheduled monthly clinical audits. For example, if a new manager wanted to understand systems and processes and their new

care home's performance; or identifying some themes in the care home's scheduled clinical audits, or in clinical indicator data. On completion of these Self-assessment, the care home leadership team would review the results and commence developing quality improvement plans to improve identified gaps. These improvement plans would be documented in the AWS / Riskman system. Previously, these audits would be reviewed by the RMs and the Regional Support Managers (RSM) during their "Quarterly Focus Review" (QFR) meetings and other site visits. RSMs were responsible for supporting, educating and developing the skills of the care home leadership team in these areas of operations. QFRs were conducted and led by the RM on a quarterly basis and would involve a meeting at the care home with the care home leadership team and to attend an event with the residents and relative of the care home. The RM would spend time hearing from residents and relatives about their experiences and discuss strategic priorities and challenges with the care home leadership team to assist to improve the homes services.

8. Clinical Governance Review: Clinical Governance Reviews (CGR) were a tool used to assess the care home's compliance against certain of the Aged Care Accreditation Standards. The CGR was considered in the same way as the Care Home Clinical Mock Audit, but would be completed on a basis more often than once every 3 years.

9. Care Home Clinical Audits: Care Home Clinical Audits were managed by the Care Home Leadership Team and did not include CSI. The purpose of these audits was to assist the care home to identify any gaps and work to resolve these through a continuous improvement process. The Clinical Audits were conducted on a scheduled basis. Each month a set of clinical audits would be due for completion, tabled at the care home's leadership meeting and continuous improvement plans developed. The plans would be implemented, monitored by the care home leadership team with regular updates about the actions taken. The care home leadership team would also evaluate the effectiveness of the improvements. These audits could be scheduled on a more regular basis at the discretion of the care home leadership team, based on complaints, feedback, incidents and/or critical observational assessments.

10. BMS Self Audits: The purpose of the Bupa Management System (BMS) Self Audits were to assess the care home's performance against BMS Work Instructions (WI). WIs stepped out very specifically how a procedure or process should be undertaken. Each care home had trained BMS Self Auditors who undertook these audits for the care home. The audit schedule and monitoring of improvement actions were the responsibility of Bupa's BMS team. The BMS team reported to Bupa's Risk & Governance team. This team was responsible for the development of new Work Instructions, ensuring there were sufficiently trained auditors were available at each site, managing the schedule of WIs scheduled to be reviewed, the schedule of BMS Self Audits and the monitoring and escalation to the operations team in the event significant gaps were reported by the care homes during the auditing process. The BMS team would have regular contact with care home managers regarding performance, monitoring and support of the BMS Auditing process.

Describe your role as Head of Clinical Service Improvement at Bupa, including:

The dates that you commenced and ceased working in this role, including why you ceased working in this role

11. I worked in the role between March 2018 and January 2019. I ceased working in the role due to the demands of the position and family priorities as I did not feel that I could continue to provide what the organisation required in the position of Head of Clinical Service Improvement. The considerable demands of the role were, in my view unsustainable.

12. I first expressed my desire to resign in about October 2018 but agreed to stay in the position after much discussion. I agreed to continue my employment given the significant disruption the organisation was experiencing and my passion for delivering quality clinical care to our residents. I again made the decision to resign in November 2018, after some weeks of little improvement. Our new interim Chief Operating Officer had just commenced, and she asked me to allow her some time to settle in before I made a final decision. The interim COO had significant operational experience in health and aged care and gave confidence in Bupa's ability to progress.

Your responsibilities, including who reported to you and who you reported to

13. The Head of Clinical Service Improvement reported only to the Chief Operating Officer (COO). CSI team members reported to me, no other staff were required to report to me. A diagrammatic representation of the relevant reporting lines is set out at the end of my statement. My role replaced the Director of Clinical Service Improvement position. The Director was part of the Bupa Executive Leadership Team (ELT). My role was no longer included in the ELT which included:

    13.1. Managing Director – Bupa Aged Care Australia & New Zealand – Ms Jan Adams;

    13.2. Director of Operations Bupa Aged Care Australia – removed position in November 2017 – Mr Ian Burge;

    13.3. Acting Chief Operating Officer Bupa Aged Care Australia – from around June 2016 and permanent appointment approx. October 2017 – Ms Maureen Berry;

    13.4. Acting Director of Clinical Service Improvement Bupa Aged Care Australia – Ms Petra Tierney;

    13.5. Finance Director Bupa Aged Care Australia & New Zealand – Ms Julie Sellars;

    13.6. People Director Bupa Aged Care Australia & New Zealand – Ms Vesna Garnett; and

    13.7. Medical Director Bupa Aged Care Australia & New Zealand – Dr Timothy Ross.

14. There were further structural changes made around mid-2018 which have been described in the statement of Carolyn Cooper. This included the creation of the Head of Operations

(Ms Davida Webb) which reported to the COO. From about April to June 2018 Ms Webb was leading the "Back2Base" project to roll out the staffing changes from "BMOC 2".

15. My responsibilities were as set out below.

Your specific responsibilities with respect to:

Quality and safety of care at Bupa residential aged care facilities

16. My responsibility was to lead the CSI team who assisted the operations and care home leadership team to improve the clinical care, safety and quality of care provided to residents. As I recall, members of the CSI team from March 2018 – July 2018 included:

16.1. Clinical Governance & Assurance Manager;

16.2. Clinical Service Improvement Consultants x 2;

16.3. Clinical Governance Consultants x 2;

16.4. Clinical Education Consultant;

16.5. Safety & Assurance Consultants x 2;

16.6. Aged Care Funding Manager;

16.7. Aged Care Funding Consultants x 3.

17. Bupa ELT had developed and endorsed a restructure in 2017 which removed various positions in the CSI team (including all educators with the exception of one) and restructured the management of the team. As I recall this took effect from around July 2018:

17.1. Clinical Governance, Safety & Assurance Manager x 1;

17.2. Clinical Analytics & Informatics Manager x 1;

17.3. Clinical Practice Development Manager x 1;

17.4. Clinical Practice Development Consultant x 3;

17.5. Aged Care Funding Manager x 1;

17.6. Aged Care Funding Consultants x 3.

18. From July 2018, utilising vacant FTE, I employed a casual consultant whose role was to purely focus on reviewing and mapping Bupa's current clinical WIs to develop recommendations on improving the WIs to meet the new Aged Care Quality Standards and address the cumbersome and repetitive nature of the WIs.

19. As I recall, from around August 2018 and in response to increasing compliance issues arising across Bupa Care Homes, Managing Director, Ms Adams gave the directive to appoint an additional 3 Quality Consultants/Clinical Governance Consultants. These roles were recruited to and commenced in and around October and November 2018 – at the

same time as the new Clinical Practice Development Manager and the Clinical Governance, Safety and Assurance Manager.

20. The functions of CSI included:

20.1. Providing support through advice and education where required relating to resident safety, quality assurance, clinical management and professional development.

20.2. Reviewing the policies and procedures (i.e. the WI) relating to clinical care and to ensure they continued to comply with relevant standards and best practice.

20.3. Conducting internal audits and making recommendations on remediation where required.

20.4. Supporting the organisation with complaints management and reviewing the framework for managing feedback.

20.5. Providing reports to the Board, Clinical Governance Committee and the Bupa Risk & Governance Committee relating to Clinical Governance and the performance of care homes relating to clinical and compliance with the Quality of Care Principles 2014.

20.6. Supporting education, auditing and assistance at care homes with Aged Care Funding Instrument (ACFI) related areas.

20.7. Liaising with the Australian Aged Care Quality Agency (AACQA), Aged Care Complaints Commission and the Department of Health (Department) with regard to matters relating to compliance issues arising in care homes and complaints escalated to the Commission.

20.8. When required, escalation of concerns and issues to the COO and the Executive Leadership Teams (ELT) of Bupa Aged Care Australia and Bupa Australia/NZ.

21. As Head of Clinical Service Improvement, I did not play a role in the "Back2Base" project other than to provide my opinion, from time to time, on certain matters relating to ACFI funding, which the CSI team provided support and advice about. As mentioned earlier, the "Back2Base" project was focussed on rolling out the staffing changes from "BMOC 2"

22. "BMOC 2" was the review of the initial Bupa Model of Care (BMOC) rolled out to Bupa care homes from 2015-2017 which included increasing registered nurses, employing General Practitioners and implementing proactive medical and clinical approaches to care. BMOC 2 was a review of this initial model as a result of increasing financial pressures and what was considered a duplication of roles and tasks between the Care Managers and Clinical Managers. BMOC 2 resulted from "Project James" where a review of nursing hours and impact of GPs was reviewed and a new model developed.

23. In my role as Regional Director in 2017, I was engaged in the Project James work and provided operational advice as required. The then Acting Director of Clinical Service Improvement (Ms Tierney) provided advice and guidance from a clinical perspective as the clinical lead on the project. This project was supported by the then Director of

Operations, Mr Burge, Director of Transformation, Mr Trevor Watson, People Director, Vesna Garnett and a commercial business partner. This project was undertaken at the direction of Chief Operating Officer, Ms Maureen Berry.

Ensuring compliance by Bupa with the Accreditation Standards and their expected outcomes

24. My role was to lead the CSI team to provide support and advice to the Head of Operations, RMs, GMs and Care Managers (CMs) to deliver quality care in line with the Quality of Care Principles 2014.

Initiating, conducting, reviewing or responding to each of the internal audits

25. I was accountable for the CSI team to plan and conduct mock audits and CGRs as per a pre-set schedule for all care homes. I was also accountable for ensuring that support to the operational teams was provided by the CSI team so that recommendations were considered and implemented. The overall responsibility of ensuring these actions were followed up and implemented sat with the RMs and GMs. When poor performance was identified, this would be escalated by myself or my team to the GM, RM, Head of Operations and COO where required. The care home leadership team would discuss options to support the care home resolve the gaps identified. Prior to the creation of Head of Operations role (about June 2018), these issues would be escalated directly to the COO.

Resolving issues identified during internal audits

26. As set out in paragraph 5, CIPs were developed as a result of CGRs and care home mock audits. These CIPs were due to be completed by particular dates. The progress of the compliance with due dates in relation to these CIPs would be tabled by me at the Operational Leadership team meetings for discussion with RMs to table progress of improvements and as a result any issues would be escalated to Head of Operations and COO. My role was to ensure the CSI team supported the care home leadership team through advice and education for GMs and RMs to develop CIPs to resolve the issues identified. Once the CIP had been developed, the care home GMs and RMs were responsible for sending the completed action plans back to CSI as evidence of plans being completed. In the event, these were not returned within the timeframe allocated, the CG consultant would contact the care home and the RM to follow up the plans.

27. Regular updates including the progress of the care homes performance against internal audits and progress of plans would be circulated regularly to the RMs to review and follow up where required with the GMs.

In relation to your role as Head of Clinical Service Improvement at Bupa between 1 March 2018 and 1 February 2019, describe:

Your responsibilities for initiating, conducting or responding to internal audits at Bupa South Hobart

28. As Head of CSI, I was responsible for supporting the CSI team to schedule mock audits and CGRs according to individual home requirements. In the case of Bupa South Hobart, the CGSAM had responsibility for ensuring that the schedule was kept up to date and supporting the CGC to initiate and complete the scheduled audit. It was the responsibility of the CGC to complete the audit in the timeframes allocated (in this case, 3 days were allocated) and then followed by documentation of the report along with recommendations and circulating back to the care home leadership team within 2 weeks of completion of the audit. As Head of CSI, it was not normal practice for these audits to be sent to me for review and actioning, as this responsibility sat with the CGC.

29. As Head of CSI, I was also responsible for ensuring the CSI team supported GMs to prepare and complete Accreditation Self Assessments for submission when submitting an application for re-accreditation. A CSI team member would contact the GM at a care home and provide a reminder along with the template to complete a self-assessment of the care home. It was the expectation of CSI that GMs, with support of their RMs, would lead this and incorporate recent CIPs and identified opportunities for improvement on this self-assessment. I received a copy of the application for re- accreditation and the self-assessment to approve for submission on the 5 September 2018. This self-assessment did not capture, as far as I can recall, the degree of substandard care provided at Bupa South Hobart.

Who you reported to in relation to issues identified at Bupa South Hobart, including through internal audits, and what you reported, including the nature of any reporting to: The Chief Operating Officer; The Head of Operations; Other members of the Executive of Bupa; The Board of Bupa.

30. As set out in paragraph 26, the progress of any CIP arising out of the mock audit would have been discussed at the Operations Leadership team meeting, which included the COO, but I do not have a specific recollection of the discussion.

31. The COO and Head of Operations were informed of the progress of the site assessment contact in October 2018 as the outcomes were announced through direct discussion and by email.

32. On 25 October 2018, Bupa's ELT were provided with an email **(BPA.010.006.1425 Oct 18)** outlining the sanction imposed on Bupa South Hobart from myself. The COO was included on this email. The ELT included the COO and other members of the Executive of Bupa.

33. Information about the imposition of the sanction would normally then be escalated to the Board members by either Mr Calum Cook (Bupa's Legal Counsel) or CEO Mr Richard Bowden.

34. Bupa's board members were provided with a report for a Board Meeting dated 23 November 2018 **(BPA.012.002.2774)**, which outlined the issues pertaining to Bupa South Hobart. This included current actions relating to the remediation and summary points/recommendations to be considered by the board.

Who reported to you in relation to issues identified at Bupa South Hobart, including through internal audits, and what was reported, including the nature of any routine reporting by:

The Regional Director for Bupa South Hobart

35. The Regional Director for Bupa South Hobart was informed of the issues directly by the GM during the AACQA site contact visit. I cannot recall if the RM reported these to me, however, it was normal practice for the RMs to report to their manager Ms Webb (Head of Operations).

The General Manager of Bupa South Hobart

36. I was provided with a copy of Bupa South Hobart's CIP (amongst others) via email on 30 August 2018 **(BPA.012.017.7853 andBPA.012.017.7943)** from Bupa's Clinical Governance Specialist, Mr Thomas Rogers. Mr Rogers was directed to support the CSI team to collate all 72 care homes CIPs for me as Head of CSI to provide, as requested by the Director of Operations, AACQA Ms Anne Wunsch, to AACQA by 31 August 2018. The CIPs were sent to me for the purposes of distributing them to the AACQA.

37. I did not escalate verbally the results of the AACQA site contact visit directly to the GM as the GM was involved in the accreditation site audit and as such was directly informed of the outcome directly from the AACQA.

How, if at all, issues identified at Bupa South Hobart, including through internal audits, were addressed or resolved

38. I do not believe I was provided with the Mock Audit and I do not recall specific details about how the issues identified at Bupa South Hobart were addressed or resolved. I have reviewed documents supplied by Bupa to the Royal Commission. This documentation includes a CIP addressing the areas for improvement identified in the mock audit, which was completed by Bupa South Hobart's leadership team.The CIP appears to have been monitored for implementation, evaluation and circulated by the care home leadership team, RM (Ms Liz Wesols) until her leave in August 2018 and then by the Acting RM (Ms Aida Salihovic) and the CSI team member (Ms Tina Doyle). Many of the action items in the CPI were marked as completed, which means they were considered to be dealt with.

39. I recall having a conversation with Head of Operations prior to the AACQA visit in October 2018, around September 2018, to discuss progress of accreditation preparation and to see if a member of the CSI team was required to visit the care home in person to support, as CSI resources were stretched and the Head of Operations (Ms Webb) had had a presence at the care home during this time. Ms Webb felt that the home appeared in good order, and staff and residents appeared happy. A decision was made to send a CSI

team member to the care home to review evidence, was considered unnecessary as a result.

40. Once the sanction had been imposed, an external administrator and clinical advisor were appointed to support the care home to support remediation. The normal process from previous sanctions, was that Head of CSI would make recommendations on what support would be required to clinically support the care home. These recommendations would be made directly to the Head of Operations who had final decision making capacity relating to operational support in the care homes. These actions and recommendations would be discussed and reviewed at regular weekly teleconferences between myself, the RM, Head of Operations, clinical advisor, administrator, GM, and Ms Jessica Andrews. I cannot recall her title but her role was to support care homes under sanction to receive updates and report/escalate as required to myself and the ELT via Project Nightingale meetings. Ms Andrews reported directly to the Managing Director. I was a member of the Project Nightingale working group from around end of August 2018, in place of Ms Berry.

In relation to the Care Home Clinical Mock Audit conducted from 9-11 July 2018 at Bupa South Hobart [BPA.001.033.8415], explain:

Whether you were provided with the report for that internal audit

41. I do not believe I was provided with the Mock Audit.

How you responded to the report, and the issues identified by the audit

42. Not applicable.

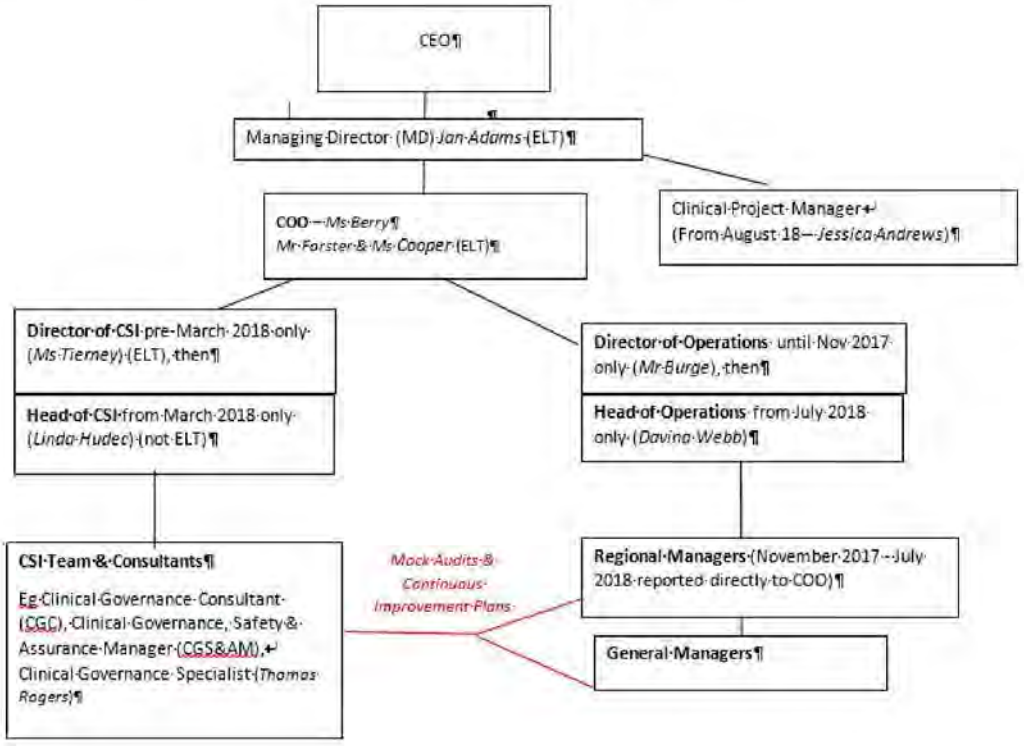
Why you think the audit was not effective in preventing the issues identified by the Aged Care Quality and Safety Commission at Bupa South Hobart in October 2018.

43. I am unable to say why the audit was not effective in preventing the issues identified in October 2018 from direct knowledge. In my opinion, there may have been several factors that may have contributed to this.

44. Bupa's preparation for the new Aged Care Quality Standards and the day to day monitoring of the care homes was impacted by its focus on reviewing staffing models and creating other cost efficiencies in response to the significant financial pressures caused by government funding changes. There was also significant leadership turnover and restructures that may have affected the oversight of the care home's action plan in response to the mock audit.

45. Bupa's audit tools and processes were focused on evaluation against compliance to the BMS Work Instructions which did not necessarily match the Accreditation Standards. The tools have since been amended.

Diagrammatic representation referred to in paragraph 13.



Signed: Hudec

Linda Hudec

Date: 14 November 2019

Witness:

Victor Harcourt

Date: 14 November 2019

Signature	Hudec	Witness	