

There is a major national and worldwide downward trend in demand for red cells. We had a 3% reduction in 12/13 compared with 11/12 and are expecting at least a 7% reduction in 13/14. This shift is creating challenges in continuing to implement effective strategies to align supply with demand and strengthen our capacity to meet plasma targets and increase apheresis collections. Despite these challenges, we were able to deliver across all of our key target areas and performance indicators, demonstrating the Blood Service's on-going commitment to delivering efficiency dividends to governments, while maintaining the high quality of blood products and the safety of the blood supply. We are pleased to present this report of the key achievements and performance of the Australian Red Cross Blood Service in 2012-13, in accordance with our reporting obligations under the *2010-11 to 2012-13 Statement of Expectations* performance indicators.

### KEY ACHIEVEMENTS 2012-13

- **Delivered a year-end operating surplus of \$12.5 million**, with \$8.9 million returned to governments and \$3.6 million retained for re-investment by the Blood Service. The surplus was achieved through a continued focus on financial efficiency and management. The surplus was achieved despite an under-recovery of \$5.1 million in fixed costs revenue due to the significant fall in demand for red cells.
- **An accumulated \$26.7 million in returned funds to Federal and State Governments over the past three years** delivering on our commitment to provide value for money to our stakeholders.
- **Increased plasmapheresis collections by 20%** to achieve our target of 525 tonnes of plasma for fractionation, representing the biggest growth in apheresis plasma in the last five years.
- **Exceeded the number of days we were within the inventory bands for fresh blood products.** During 2012-13, inventory for fresh blood products was within the inventory bands for 254 days of the year, up from 229 days in 2011-12, and 201 days in 2010-11. This reflects our continued efforts to reduce wastage and ensure not only that we meet demand but that we only collect what is required.
- **Improved our order fulfilment rate by 13%**, which is the percentage of red cell orders from hospitals that are fulfilled, increasing from 82% in July 2010 to an average rate of 95% over the period July 2012 to June 2013.
- **Successfully transitioned processing and testing from Adelaide to Melbourne with no detriment to service delivery or quality. This is now saving over \$3m annually.**
- **Reduced the “donor did not attend” rates by 25%** as a result of successfully implementing targeted initiatives aimed at enhancing donor satisfaction and retention levels. Some of the major changes in our donor management approach included the introduction of 15 minute appointment slots, a new approach for walk-in donors and better communication techniques such as donor appointment reminders and cancellations via text messages.
- **Maintained a low level of donor adverse events incidences for all collection types** (ie whole blood, plateletpheresis and plasmapheresis) at 2.42% of total collections, substantially below the upper control limit of 4% throughout 2012-13. Improved donor adverse events outcomes were achieved by introducing pre-donation donor advice and support, as well as significant improvements in the reporting and follow up of donors who experience an adverse event.
- **Achieved 100% male-only clinical plasma. This was the key strategy on implementing major improvements to reduce the risk of Transfusion Related Acute Lung Injury (TRALI).** TRALI events reported to the Blood Service continue to reduce, decreasing significantly from 35 in 2006 to only 5 events in 2012.
- **Embedded manufacturing efficiencies by achieving a 9% national improvement in processing and 11% improvement in testing** compared to 2011-12. Our productivity levels improved across all of the Blood Service processing Centres, with processing exceeding the 2012-13 target by 7% and testing 1% above target. International comparisons demonstrate that the Blood Service is highly productive in terms of blood product processing.
- **Finalised a major exercise to complete a Handover Plan between the NBA and Red Cross and Blood Service.** This sets out the arrangements that will apply between the NBA and Red Cross and Blood Service in all situations of termination or expiry of the Deed of Agreement.

- **Strengthened our disaster recovery capabilities**, including a review of critical infrastructure, incident management processes and the successful execution of failover testing, to ensure on-going improvements to our National Blood Management System and confirm our ability to move to and from the disaster recovery environment.

**2012-13 Australian Red Cross Blood Service Performance Report to Standing Council on Health**

1. Planning and Governance			2. Business Efficiency Improvement			3. Operational Performance - Finance		
1.1	Strategic and Business Plans include Government Objectives.		2.1	Efficient and effective use of funds - implementation of the agreed OBFM without activating the FRMA (except in exceptional circumstances such as regulatory or policy reform).		3.1	Annual Financial Result breakeven or better.	
1.2	National consistent framework and operations agreed for Transfusion Medicine Services.		2.2	Commissioning of Principal Sites in New South Wales and Victoria within budgets; including the identification of possible savings on relocations and ongoing manufacturing efficiencies realised.		3.2	Value of savings achieved for potential reinvestment.	
4. Operational Performance - Safety and Quality			5. Operational Performance - Production			6. Operational Performance - Service and Supply		
4.1	Effective management of inventory to reduce wastage and provide red cells within optimum age. Agreed range to be agreed between the NBA and the Blood Service.		5.1	Plasma for Fractionation agreed supply plan target met.		6.1	Red Cell Inventory Levels sufficient to meet clinical demand.	
4.2	Number of donations confirmed positive for a mandatory infectious disease marker per 100,000 donation tested.		5.2	Improve Red Cell Yield (inc. conversion rates).		6.2	Percentage of products delivered in accordance with National Service Standards to be agreed between the NBA and the Blood Service.	%TBC

GREEN (G) = Target met.  
 AMBER (A) = Delayed or has risks that may impact the specific operational plan outcome.  
 RED (R) = Did not met target.

KPI Reference	SCoH Key Performance Indicator	Blood Service Interpretation	Commentary
1.1	Strategic and Business Plans include government objectives.	Strategic and Business Plans include government objectives.	Achieved.
1.2	National consistent framework and operations agreed for Transfusion Medicine Services (TMS).	Nationally consistent operations.	Achieved.
2.1	Efficient and effective use of funds - implementation of the agreed Output Based Funding Model (OBFM) without activating the Financial Risk Management Agreement (except in exceptional circumstances such as regulatory or policy reform).	Efficient and effective use of funds; implementation of the agreed OBFM including demonstrable efficiency improvements by way of self-funded initiatives.	Financial Risk Management Agreement (FRMA) has been incorporated in OBFM principles which have not been activated in the reporting period  Operational surplus in 2012-13 of \$12.5m; returned \$8.9m to governments; absorbed a range of recurrent costs
2.2	Commissioning of Principal Sites in New South Wales and Victoria within budgets; including the identification of possible savings on relocations and ongoing manufacturing efficiencies realised.	Commissioning of NSW & ACT and Victoria & Tasmania Principal Sites on time and on budget.	Achieved.
3.1	Annual Financial Result breakeven or better.	Annual financial result breakeven or better.	Operating result of \$12.5m surplus
3.2	Value of savings achieved for potential reinvestment.	Value of savings reinvested to achieve future efficiencies.	Operational surplus in 2012-13 of \$12.5m; returned \$8.9m to governments
4.1	Effective management of inventory to reduce wastage and provide red cells within optimum age. Agreed range to be agreed between the NBA and the Blood Service.	Average end of year result against target for age at issue of red blood cells.	End of year result = 9 days actuals (Target: 9 days)
4.2	Number of donations confirmed positive for a mandatory infectious disease marker per 100,000 donation tested.	Number of donations confirmed positive for a mandatory infectious disease marker per 100,000 donations tested.	16.92 donations confirmed positive for a mandatory infectious disease marker per 100,000 donates tested (as this result is reported bi-annually; this figure is for Jul-Dec 2012)
5.1	Plasma for Fractionation agreed supply plan target met.	Plasma for fractionation agreed supply plan target met.	End of year result = 100% (525 tonnes)
5.2	Improve Red Cell Yield (inc. conversion rates).	Improve red cell yield (inc. conversion rates) by 1% per annum.	End of year result = 89.3%
6.1	Red Cell Inventory Levels sufficient to meet clinical demand.	Red cell inventory levels sufficient to meet clinical demand (less than 5 days for O blood type).	The National Blood Supply Contingency Plan (NBSCP) was invoked on 6th July 2012, due to the National Blood Management System (NBMS) outage, and deactivated on 11th July 2012. Throughout this period, clinical demand continued to be met as manual processes were put in place to ensure the continuation of the blood supply.
6.2	Percentage of products delivered in accordance with National Service Standards to be agreed between the NBA and the Blood Service.	TBC	The National Service Standards have not yet been agreed.