

2014 ANNUAL REPORT 2015



Queensland
Government

Department of Health annual report 2014–15

The annual report provides detailed information about the Department of Health's financial and non-financial performance for 2014–15. It has been prepared in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009, and the annual report requirements for Queensland Government agencies.

The report aligns to the *Department of Health strategic plan 2014–2018* and the 2014–15 Service Delivery Statements.

The report has been prepared for the Minister for Health and Minister for Ambulance Services to submit to Parliament. It has also been prepared to meet the needs of stakeholders, including government agencies, healthcare industry, community groups and staff.

Department of Health annual report 2014–15



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Content from this annual report should be attributed as: The State of Queensland (Department of Health) annual report 2014–15

ISSN: 1838–4110

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An electronic version of this document is available at www.health.qld.gov.au/annual-report/

In lieu of inclusion in the annual report, information about consultancies, overseas travel, the Queensland language services policy and government bodies is available at the Queensland Government Open Data website (qld.gov.au/data)



Interpreter service statement

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 13 QGOV (13 74 68) and we will arrange an interpreter to effectively communicate the report to you.

Letter of compliance

30 September 2015

The Honourable Cameron Dick MP
Minister for Health and Minister for Ambulance Services
Member for Woodridge
Level 19, 147–163 Charlotte Street
Brisbane Qld 4000

Dear Minister

I am pleased to present the Annual Report 2014–15 and financial statements for the Department of Health.

I certify this annual report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009.
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at page 83 of this annual report or accessed at www.premiers.qld.gov.au/publications/categories/guides/annual-report-guidelines.aspx

Yours sincerely

Michael Walsh
Director-General
Queensland Health



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Year in review

Queensland has a geographically dispersed population—posing significant challenges for the equitable delivery of health services. Improved access to health services is a key priority for the Department of Health, particularly for those with high or complex health needs, the socially disadvantaged, those living in rural or remote areas, and Aboriginal and Torres Strait Islander people.

This year, the department has improved health outcomes for Queenslanders, by:

- ensuring equitable and timely access to health services, including ambulance services
- engaging with our health system partners (such as primary healthcare providers, non-government organisations, universities and research institutes) to drive innovation in the delivery of health services
- improving the health system to better meet the needs and choices of the community.

To ensure patients are at the core of our business, the department invested an additional \$30 million in Hospital and Health Services (HHSs) to deliver more than 10,000 additional specialist outpatient appointments.

We also enhanced health services by making innovative improvements, including the statewide rollout of the *integrated electronic Medical Record (ieMR) system*. This enables clinicians and supporting staff to securely access patient medical records, improve the patient's hospital care journey and enhance the high-quality services provided by our clinicians.

Further key achievements for 2014–15, include:

- funding of \$14.1 million (over two years) to support the establishment of new Aboriginal and Torres Strait Islander health clinics across the state
- delivering healthy lifestyle initiatives, such as the *Healthier. Happier workplaces programs* and *Jamie's Ministry of Food* to improve the health and wellbeing of all Queenslanders
- upgrading emergency department operating theatres, outpatient clinics, and birthing suite facilities—in collaboration with HHSs—to ensure we have the capacity to meet health service requirements
- working collaboratively with primary healthcare providers and non-government organisations to support the expansion of telehealth services, and to identify, prioritise and implement new and innovative models of care.

Initiatives like these continue to help us achieve our objectives and ensure we provide a health system that meets the current and future needs of the growing Queensland community.

I would also like to take this opportunity to thank staff for their ongoing commitment to making a valuable contribution in the health services we provide—ensuring Queenslanders receive the care they need.

Michael Walsh
Director-General
Queensland Health

2014–15: snapshot of our success



Statewide rollout of **ieMR**, enabling clinicians and supporting staff to securely access patient medical records



Answered more than
91.24%
of Triple Zero (000)
calls within
10 seconds



\$14.1 million

(over two years) to support the establishment of new Aboriginal and Torres Strait Islander health clinics across the state

Banned smoking

(including e-cigarettes) in all Queensland public and private hospitals and health facilities, and schools, and for **five metres** beyond their boundaries



Invested an additional
\$30 million

in HHSs, enabling the delivery of more than **10,000** additional specialist outpatient appointments



Released ***The health of Queenslanders 2014: Fifth report of the Chief Health Officer Queensland*** to provide data about the preventable health burden in Queensland

Received

322,780

calls via **13 HEALTH (13 43 25 84)**—the 24-hour, seven days a week health phone service—with the majority answered within
20 seconds





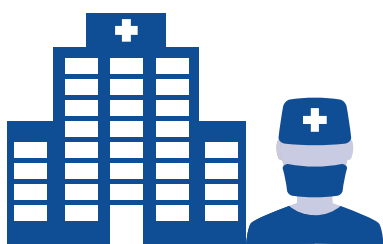
Banned the possession of **commercial tanning units** from 31 December 2014 through an amendment to the Radiation Safety Regulation 2010

Launched the **Queensland immunisation strategy 2014–17**

to protect Queenslanders from vaccine-preventable diseases



Developed the **Statewide strategy for end-of-life care**—supporting healthcare providers, patients and their families to plan for high-quality end-of-life care



Upgraded **BreastScreen Queensland's electronic notification system** to send text message reminders for appointments



Released the **Queensland Aboriginal and Torres Strait Islander cardiac health strategy 2014–2017** to improve

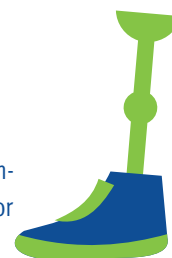
the cardiac health of Aboriginal and Torres Strait Islander people in Queensland



Performed **34,270** smoking cessation interactions with clients, including responding to **4718** referrals from health professionals, via **Quitline 13 QUIT** (13 78 48)

\$7.65 million

earmarked for the **Active Limbs4Kids program**—a four-year program providing specialised custom-made prosthesis for children



92 staff have been employed under the new recruitment model—**Recruit for Fit**—which was introduced to ensure the department attracts and assesses candidates based on organisational and role fit

Extended scope of practice from 2014–2017 for advanced care paramedics to provide **clot busting drugs** for patients suffering heart attack



\$12.12 million

(over two years) to fund existing Indigenous-specific health services, including chronic disease, and maternal, child and youth services

Our department

Our vision






Healthcare that Queenslanders value.

Our purpose

To provide leadership and direction for the health sector, and create an environment that encourages innovation and improvement in the delivery of health services.

Our values

The department aligns to the Queensland public service values:

-  customers first
-  ideas into action
-  unleash potential
-  be courageous
-  empower people.

Our role

The Department of Health (the department)—under the *Hospital and Health Boards Act (Qld) 2011*—is responsible for the overall management of the Queensland public health system.

To ensure Queenslanders receive the best possible care, the department has entered into a service agreement with each of the 16 Hospital and Health Services (HHSs)—independent statutory bodies, governed by their own professional Hospital and Health Board and managed by a Health Service Chief Executive (HSCE)—to deliver public health services in their local area.

The department's role includes, but is not limited to:

- providing strategic leadership and direction for the delivery of public health services across the state
- promoting the efficient and effective use of resources
- developing statewide health services, workforce and capital work plans
- delivering specialised health services
- providing support services to HHSs
- managing major capital works for proposed public sector health service facilities.

Our strategic direction

The *Department of Health strategic plan 2014–2018* has five key priorities:

1. Healthy Queenslanders—facilitate the integration of health system services that focus on keeping patients, people and communities well.
2. Accessible services—ensure equitable access to safe, timely and quality health services for all Queenslanders.
3. Innovation and research—foster innovation and research that contributes to quality patient care and outcomes, and health system improvement.
4. Governance and partnerships—provide effective governance of the health system and engage with key partners to provide health services that are sustainable and value for money.
5. Workforce—cultivate an engaged, capable, innovative and efficient workforce.

Our structure

The Department of Health comprises:

- Health Service and Clinical Innovation (HSCI)
- Health Commissioning Queensland (HCQ)
- System Support Services (SSS)
- Health Services Information Agency (HSIA)
- Health Support Queensland (HSQ)
- Office of the Director-General (ODG)
- Queensland Ambulance Service (QAS)
- Office of the Chief Health Information Officer (OCHIO).

Health Service and Clinical Innovation

Health Service and Clinical Innovation delivers statewide clinical support and coordination functions to assist HHSs.

The division is responsible for:

- coordinating policy management relating to public health in Queensland
- providing advice and support on all matters relating to clinical professions.

The division comprises:

- **Chief Health Officer Branch (including the Office of the Principal Medical Officer):**
 - delivery of policies, programs, services and regulatory functions to improve the health of Queenslanders by promoting and protecting health and wellbeing, detecting and preventing disease and injury, and supporting high-quality healthcare service delivery
 - statewide coordination of retrieval services and disaster management
 - building capacity in training medical practitioners statewide, including improving geographical and specialty distribution of the medical workforce, and developing workforce plans to meet Queensland's future medical workforce needs.
- **Health Systems Innovation Branch**—provides advice and support services to maximise patient safety outcomes and clinical process improvement to help resolve and improve patient access to care across Queensland, and improve the efficiency and performance of the health system.

- **Mental Health, Alcohol and Other Drugs Branch**—supports statewide development, delivery and enhancement of safe, quality, evidence-based clinical and non-clinical services in the specialist areas of mental health, and alcohol and other drugs treatment.
- **Allied Health Professions' Office of Queensland**—provision of advice and coordination, workforce development and support for allied health professionals.
- **Office of the Chief Dental Officer**—delivery of safe, appropriate and sustainable oral health services across the state.
- **Office of the Deputy Director-General**—provides corporate and executive support services, strategic divisional information and communications technology (ICT) portfolio management, contract and financial management, strategic workforce development activities and coordination of organisational systems, risk and governance activities across the division.

Health Commissioning Queensland

Health Commissioning Queensland is responsible for commissioning and monitoring the performance of publicly funded health services on behalf of the state to optimise health gains, reduce inequalities and maximise efficiency and effectiveness of the public health system.

The division ensures health funding is used effectively to meet government priorities and deliver services to improve health outcomes for the population of Queensland.

The division comprises:

- **Office of the Deputy Director-General**—delivers high-quality corporate governance, risk management and business support services.
- **Health Statistics Branch**—sets statistical data standards, maintains key enterprise data collections, provides data for internal and external clients, and complies with state and Commonwealth government reporting requirements.
- **Provider Engagement and Contract Delivery**—establishes innovative and evidence-based funding and purchasing models, negotiates service agreements with HHSs and other health service providers, and monitors performance and manages dispute resolution.

- **Service Needs, Access and Planning**—responsible for health services planning to support commissioning functions, including assessing service supply and future population health demand, planning capacity and system changes, and deciding and negotiating investment priorities.

To support its commissioning activities, the division also has responsibility for the department's:

- **Aboriginal and Torres Strait Islander Health Unit**—provides expertise in analysis and support for services aimed at tackling health disparities.

System Support Services

System Support Services brings together a range of corporate services to allow the department and HHSs to function effectively and deliver essential health services.

The division comprises:

- **Finance**—provides business advice, strategic financial policy and strong governance frameworks in order to create better healthcare for all Queenslanders.
- **Legal and Governance**—provides legal services to the Minister, Director-General, deputy directors-general and other senior officers.
- **Human Resource Services**—provides statewide advice and support across a range of areas, including human resource strategy and policy, employee relations, industrial reform, executive remuneration frameworks, safety and wellbeing systems, capability and leadership initiatives, conduct advisory services and whole-of-government workforce initiatives.

System Support Services also oversees key governance functions, such as risk, audit, privacy and ethical standards.

Health Services Information Agency

Health Services Information Agency is responsible for delivering and operating information systems and technologies for the department and HHSs. It hosts and manages corporate and clinical systems that support Queensland Health clinicians and staff to undertake their day-to-day operations.

Health Services Information Agency services include:

- IT (information technology) help desk
- IT security

- clinical and corporate projects
- support and maintenance for approximately 100 enterprise applications (clinical and corporate)
- support for the statewide IT network, data centres, workstations and smart devices
- support for the Telehealth network and operation.

Health Services Information Agency aims to provide value for money and innovative IT services and solutions that are responsive, reliable and resilient.

Health Support Queensland

Health Support Queensland delivers a wide range of diagnostic, scientific and therapeutic clinical support services to enable the delivery of frontline health services. The division provides services to HHSs, government agencies and commercial clients.

Health Support Queensland services include:

- **Pathology Queensland**—statewide network of 34 integrated pathology laboratories which service all HHSs, performing approximately 13 million pathology tests annually, with services to 16,500 patients per day.
- **Forensic and Scientific Services**—provides expert analysis, interpretation, advice and research. The service is a vital part of the government's response to threats to public health and the environment, epidemics and outbreaks, civil emergencies, criminal investigations and coroners' inquiries into reportable deaths.
- **Central Pharmacy**—delivers a comprehensive pharmaceutical purchasing, distribution and manufacturing service, providing Queensland Health facilities across the state with a cost effective one-stop pharmaceutical supply chain solution.
- **Medication Services Queensland (MSQ)**—provides support on all matters related to pharmaceuticals, pharmacy practice and medicines management activities. It oversees the range of Commonwealth funding programs for medicines and engages with the Australian Government's Department of Health and other external agencies on medicine related issues. MSQ supports the Queensland Health Medicines Advisory Committee and the statewide medicines formulary, the List of Approved Medicines (LAM).
- **Group Linen Services**—specialises in the delivery of healthcare linen hire and laundry services to seven HHSs across Queensland.

- **Health Contact Centre (HCC)**—13 HEALTH (13 43 25 84) provides a 24-hour, seven days a week health phone service and online services providing general health information, triage nursing advice, child health and parenting advice, chronic disease self-management and Quitline counselling. HCC is also the primary communications point in the event of civil disasters, such as floods and cyclones as well as health alerts for communicable diseases and health product recalls.
- **Payroll Portfolio**—provides workforce management and payroll services and solutions to Queensland Health and oversees a program of work to provide improved workforce management, payroll and business outcomes.
- **Strategic Procurement and Supply Services**—provides end-to-end procurement and supply services for all HHSs, including strategic sourcing, category and contract management, general procurement, and health technology and equipment replacement program procurement services.
- **Biomedical Technology Services**—provides a full range of health technology management, information and consultancy services, including biomedical equipment technical support, and health technology safety and quality services, to all HHSs.
- **Radiology Support Services**—provides radiology informatics expertise, support and training for users of the *Enterprise radiology information system* and the *Enterprise picture archive and communication system*, expert advice, maintenance of policies and guidelines to assist medical imaging departments with accreditation, revenue collection and reporting.

Office of the Director-General

Health Support Queensland provides support and advice to the Director-General and Minister through strategic coordination of departmental activities.

The office comprises:

- **Cabinet and Parliamentary Services**—manages the provision of strategic services to the Minister and Director-General, provides high-level strategic policy advice on Cabinet, executive government and parliamentary issues, and coordinates whole-of-government reporting.
- **Departmental Liaison and Executive Support**—manages the flow of information to and from other government agencies and statutory bodies, and manages incoming health enquiries, complaints and customer feedback on behalf of the department and the Minister.
- **Integrated Communications Branch**—manages statewide marketing, stakeholder engagement and communication campaigns, provides online, graphic design and corporate identity services, develops communication and media plans, manages social media platforms and media enquiries, and provides strategic advice to the Minister, Director-General and other agencies.
- **Office of Health Statutory Agencies**—provides support and advice to the Director-General and Minister in relation to all health portfolio statutory agencies, including the monitoring of key governance compliance requirements, and providing a central point of contact for advice and guidance on application of whole-of-government policy and statutory obligations.
- **System Secretariat**—responsible for the coordination of Director-General and Minister's briefings for national meetings, monitors strategic system-wide policy issues on the national agenda, and provides secretariat support for a number of executive committees.
- **Office of the Chief Nursing and Midwifery Officer**—provides advisory services on matters relating to nursing, midwifery and maternity services.
- **Office of Data Integrity and Patient Safety**—responsible for ensuring the integrity of data across Queensland Health through implementation and monitoring of data integrity frameworks and consolidated views of departmental data.
- **Business Improvement Office**—assists the Minister and the Director-General to deliver business improvement initiatives and address complex issues facing the public health system. The office collaborates with others to deliver high-quality outcomes that improve Queensland Health's strategic and system governance, major project portfolio capability, and the effectiveness of the Department of Health by encouraging the adoption of 'best practice' processes and the delivery of business strategies that enable organisational objectives to be achieved.
- **Health Infrastructure Branch**—leads and coordinates planning and delivery of health infrastructure, ensures the life of built assets is maximised to deliver on the state's considerable investment in Queensland Health's infrastructure portfolio, works collaboratively with HHSs, other government agencies and key stakeholders on service and infrastructure planning and delivery.

Queensland Ambulance Service

The Queensland Ambulance Service is an integral part of the primary healthcare sector in Queensland through the delivery of timely, patient-focussed ambulance services. The Queensland Ambulance Service operates as a statewide service within Queensland Health, and is accountable for the delivery of pre-hospital ambulance response services, emergency and non-emergency pre-hospital patient care and transport services, inter-facility ambulance transport, casualty room services, and planning and coordination of multi-casualty incidents and disasters.

The Queensland Ambulance Service delivers ambulance services from 290 response locations through 15 Local Ambulance Service Networks (LASNs), geographically aligned with Queensland Health's HHSs boundaries. The Queensland Ambulance Service has a 16th statewide LASN which comprises of seven operations centres distributed throughout Queensland that manage emergency call taking, operational deployment, dispatch and coordination of non-urgent patient transport services.

In addition, the Queensland Ambulance Service works in partnership with more than 150 Local Ambulance Committees (LACs) across the state, whose members volunteer their time to support their local ambulance service.

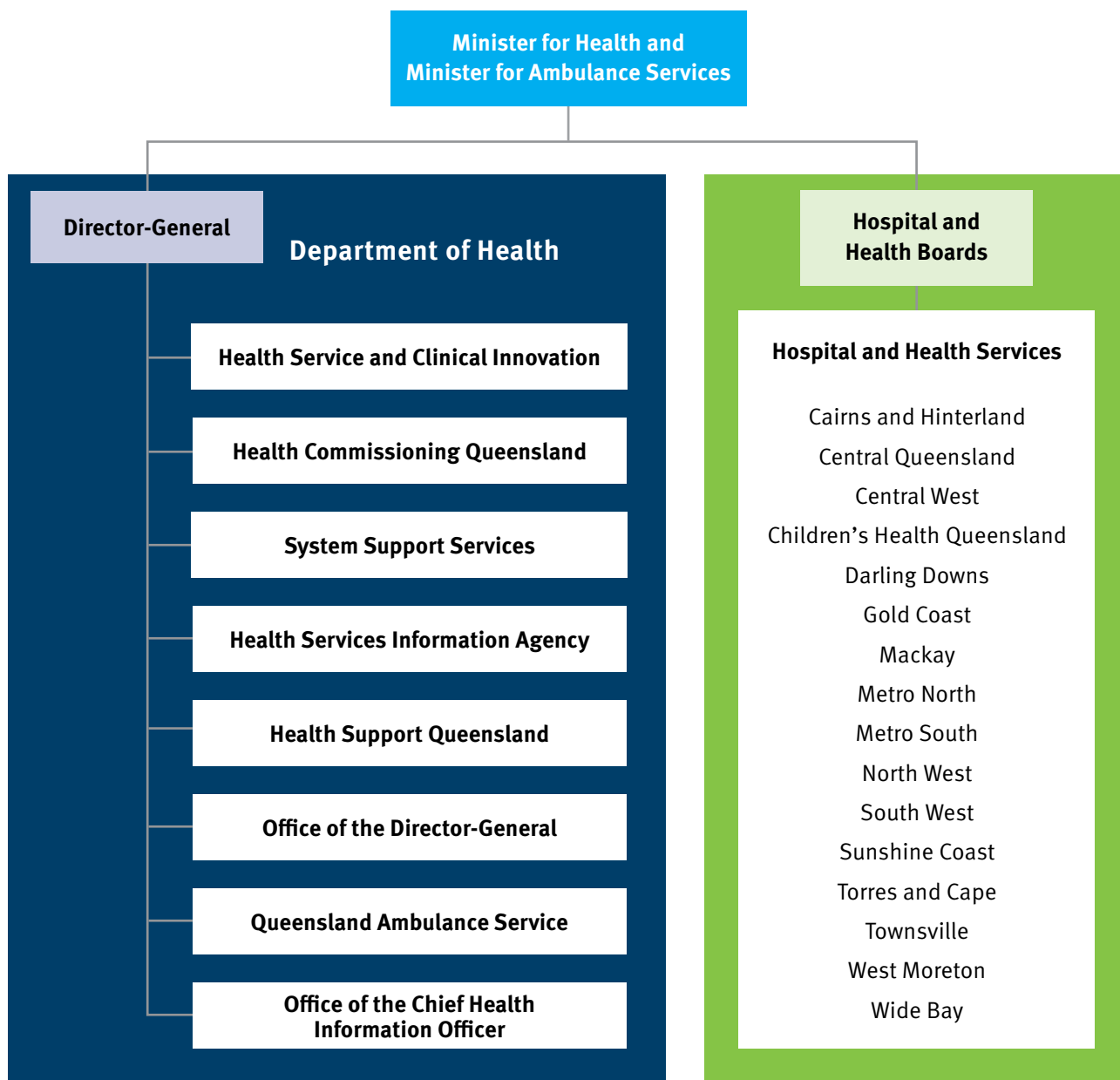
Office of the Chief Health Information Officer

Office of the Chief Health Information Officer, established in September 2014, provides strategic leadership in the design, adoption and use of ICT across the public health system.

The office comprises the following service streams:

- **ICT governance and policy**—develop and establish the policy framework for effective ICT governance, procurement, implementation and the overall lifecycle management of ICT and information assets.
 - **Enterprise architecture**—manage the *Queensland Health enterprise architecture for technology framework*, addressing standards, interoperability and analytics support.
 - **Knowledge services**—facilitate the effective use of information, records management, business intelligence and data harmonisation throughout the Queensland health system.
- Working with HHSs, frontline service agencies, Health Services Information Agency and a range of industry partners, the Office of the Chief Health Information Officer provides stewardship around ICT architecture, strategy, investment, governance, implementation and information management.
- **ICT strategic planning and innovation**—produce and communicate the rolling four-year *Queensland Health ICT strategic planning framework*, engaging with ICT industry and the health sector to provide advisory services for HHSs, Health Support Queensland and the department, which ensures a consistent approach to ICT strategy development and procurement.

Our structure



Our Department Management Team (as at 30 June 2015)



Dr Michael Cleary

A/Director-General, Queensland Health

Chief Operations Officer, Department of Health

Dr Michael Cleary's career in the public health system spans more than 30 years. Michael holds a Medical Degree and a Master of Health Administration with qualifications in disaster medicine, trauma care and pre-hospital care.

He is a Fellow of the Australasian College for Emergency Medicine and a Fellow of the Royal Australasian College of Medical Administrators, and is a surveyor for the Australian Council on Healthcare Standards.



Dr William Kingswell

A/Deputy Director-General, Health Service and Clinical Innovation

Dr William Kingswell was appointed Acting Deputy Director-General in February 2015. William has worked for Queensland Health for more than 25 years. In recent years, he occupied the role of Executive Director, Mental Health Alcohol and other Drugs Branch within Health Service and Clinical Innovation.

He recently satisfied the requirements for Fellowship of the Royal Australasian College of Medical Administrators, and has occupied teaching roles at all levels of medical training at the University of Queensland (UQ) and Griffith University Medical School.



Dave Waters

A/Chief Human Resources Officer, System Support Services

Dave Waters, an experienced human resource professional, is passionate about ensuring employees and managers are knowledgeable, resourced and empowered through the right employment arrangements to make the best decisions for the delivery of excellent patient care.

Dave holds a Bachelor of Business from the Queensland University of Technology (QUT) and a Bachelor of Arts from UQ in the areas of human resources management, government and economics. He is a Certified Professional Member of the Australian Human Resources Institute.



Annette McMullan

Chief Legal Counsel, System Support Services

Annette McMullan was appointed Chief Legal Counsel in 2011. Annette provides legal advice to the Minister, Director-General and senior executives on matters relating to legal risks associated with the department.

In addition to her legal qualifications, Annette holds a Bachelor of Nursing, having practiced as a registered nurse and midwife for more than 20 years prior to her admission to the Supreme Courts of Queensland and the Australia Capital Territory as a solicitor.



Malcolm Wilson

Chief Finance Officer, System Support Services

Malcolm Wilson has significant experience within the private sector, especially in mining and mineral processing facility development as well as commercial contract negotiations. He has also played a key role in corporate funding, off-balance sheet financing, acquisitions and divestments.

Malcolm holds a Bachelor of Science with First Class Honours in Chemistry and a Bachelor of Commerce. He is a Fellow of Certified Practising Accountants Australia and a Graduate Member of the Australian Institute of Company Directors.



Philip Davies

Deputy Director-General, Health Commissioning Queensland

Philip Davies, an experienced health policy professional, has held public, private and academic sector roles in Australia, New Zealand and the United Kingdom.

Philip is a Fellow of the Australian Institute of Company Directors and is an Adjunct Professor in the Faculty of Health at QUT and the School of Business, University of Technology, Sydney.



Dr Jeannette Young

Queensland Chief Health Officer

Dr Jeannette Young has more than 20 years experience in health management in Sydney and Queensland. Jeannette has specialist qualifications as a Fellow of the Royal Australasian College of Medical Administrators and as a Fellow by Distinction of the Faculty of Public Health of the Royal College of Physicians of the United Kingdom.

She is an Adjunct Professor at Griffith University's Centre for Environment and Population Health and QUT's School of Public Health and Social Work, and was recently awarded a Queensland Public Service Medal as part of the Queen's Birthday 2015 Honours List.



Bill Brett

Deputy Director-General, Office the Director-General

Bill Brett was appointed Deputy Director-General in July 2014. Previously, Bill worked for the Office of Government Owned Corporations within Queensland Treasury and Trade.

Bill has held leadership roles for a number of boards, including Chair of the Wesley Hospital, Wesley Research Institute and Wesley Radiation Oncology Trust. He has also been a Board Member of the National Building Suppliers Group, the World President's Organisation and Forest Products Queensland.



Russell Bowles ASM

Commissioner, Queensland Ambulance Service

Russell Bowles was appointed Commissioner in June 2011, continuing a distinguished Queensland Ambulance Service career which commenced in January 1981. As Commissioner, Russell has implemented a number of structural, technical and operational reforms, resulting in significant service delivery improvements across a range of ambulance performance measures.

Russell holds a Master of Business Administration and was awarded the Ambulance Service Medal (ASM) in the Australia Day Honours List 2005.



Colin McCririck

Chief Technology Officer, Health Services Information Agency

Colin McCririck was appointed Chief Technology Officer (CTO) in January 2015 and brings more than 30 years of technology experience from a variety of sectors, including banking, insurance, utilities and government departments.

Colin holds a Bachelor of Mathematics and a Master of Business Administration, and is a Graduate of the Australian Institute of Company Directors.



Mal Thatcher

Chief Health Information Officer, Office of the Chief Health Information Officer

Mal Thatcher was appointed Chief Health Information Officer (CHIO) in September 2014. He is an Adjunct Professor in the Faculty of Science and Engineering at QUT with more than 30 years of ICT experience.

Mal holds an Honours Degree from UQ, a Master's Degree from QUT, professional certification from Harvard University and is working to complete his PhD in information technology governance.



Susan Middleditch

Chief Executive, Health Support Queensland

Susan Middleditch, a certified practicing accountant, has extensive financial and business experience, and proven professional expertise in driving change and transformation in high performing organisations. She also has high-level experience in strategic planning, risk management, human resource policy development and commercial finance.

Susan holds a Bachelor of Business, is a Fellow of Certified Practising Accounts Australia, and is a Graduate of the Australian Institute of Company Directors, Australia and New Zealand School of Government and the Institute of Strategic Leadership.



Dr Frances Hughes

Chief Nursing and Midwifery Officer, Nursing and Midwifery Office Queensland Executive Director, Office of Data Integrity and Patient Safety

Dr Frances Hughes has extensive knowledge and networks relating to health policy, particularly in the field of nursing and mental health, research, and global health issues.

Frances has a Bachelor of Arts, Master of Arts and Doctorate in Nursing, and was appointed as the first Professor of Nursing at Auckland University and Chair of Mental Health Nursing. She was awarded the New Zealand Order of Merit in 2005 for her services to mental health.

Machinery-of-government changes

During 2014–15:

- there was a change in government and subsequent change of ministerial responsibilities. The Honourable Cameron Dick MP was appointed Minister for Health and Minister for Ambulance Services on 16 February 2015. His responsibilities include hospitals, public health, oral health, nursing homes and hostels, Aboriginal and Torres Strait Islander health, community health services, alcohol and drug services, registration of health professionals and ambulance services.
- Dr Michael Cleary was appointed Acting Director-General on 26 February 2015, replacing Ian Maynard.
- recruitment commenced to find a permanent replacement for the Director-General's role. Michael Walsh was appointed and commenced on 6 July 2015.
- the Queensland Health Renewal Taskforce was transitioned into the Department of Health from the Department of the Premier and Cabinet (DPC) to better support Queensland Health in the delivery of key renewal activities.
- a new division was established—Health Commissioning Queensland—formerly known as System Policy and Performance.
- Health Services Support Agency was renamed Health Support Queensland.
- the Office of the Chief Health Information Officer was established, including the appointment of a CHIO, as part of the recommendations from the *Queensland Health ICT strategic roadmap* (released in June 2014).
- a review of the department was undertaken and a new organisational structure was implemented from July 2015.

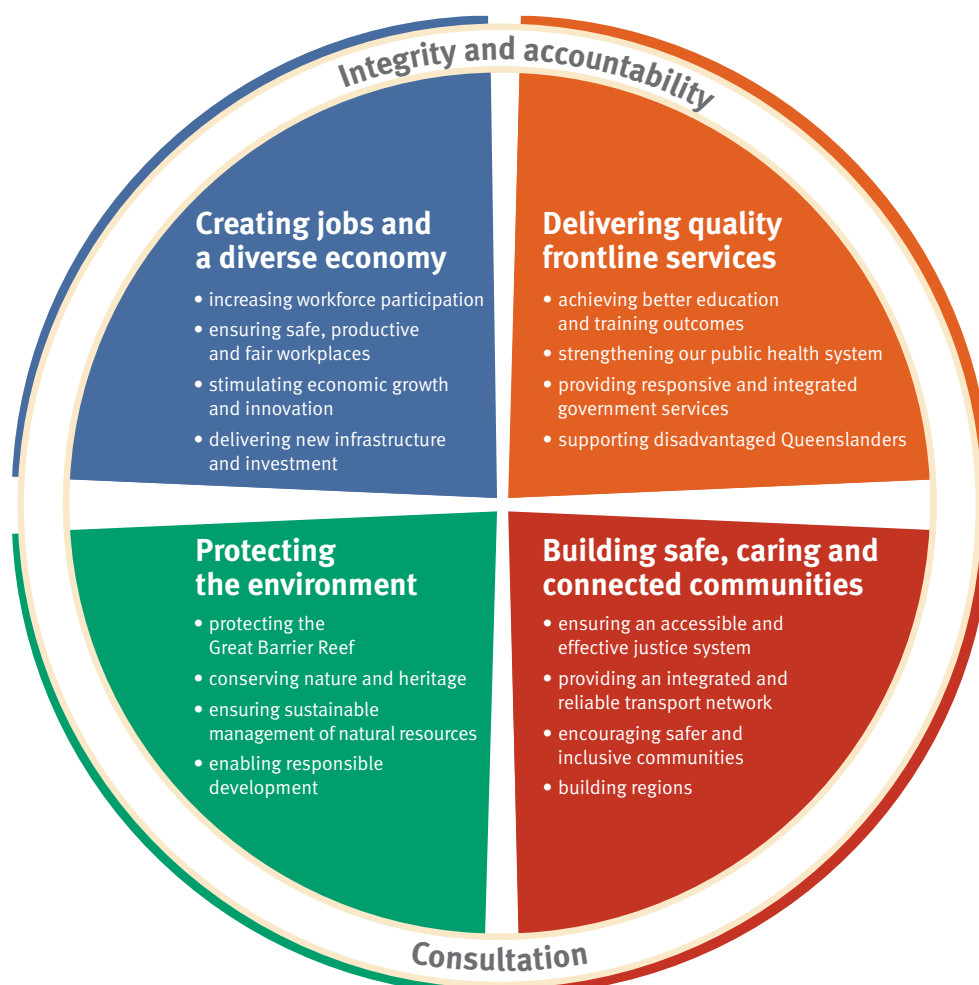
Our contributions to government

Our contribution to government objectives

With the change of government in February 2015, the department has focused its efforts on implementing the incoming government's objectives for the community, by:

- creating jobs and a diverse economy by employing more frontline staff to deliver health services; and the department's use of resources to assist in the delivery of health services to achieve value for money

- delivering quality frontline services by investing in HHSs to reduce outpatient and elective surgical waiting times, and improving access to frontline services through flexible, innovative models of care
- protecting the environment by ensuring existing and new health infrastructure, such as water supply, sewerage, waste management, drainage systems and sustainable services are adequate



- building safe, caring and connected communities by delivering healthy lifestyle initiatives to improve the health and wellbeing of all Queenslanders, and working collaboratively with primary healthcare providers and non-government organisations to improve the Queensland health system to better meet the needs and choices of the community.

Our contribution to The Queensland Plan

The department's policies, programs and services align with the Queensland Government Response to *The Queensland Plan*. The response supports the government's objectives for the community, and identifies the priorities and key initiatives that will contribute towards implementing Queenslanders' vision.

The department focused on:

- creating jobs and a diverse economy, by:
 - implementing strategies to increase the uptake of new health graduates
 - introducing new workforce models for rural and remote areas
 - allocating funding to introduce and evaluate new health technologies
- delivering quality frontline services, by:
 - promoting healthy lifestyle initiatives to improve the health and wellbeing of Queenslanders

- adopting a nurse endoscopy model to address the rapidly growing demand for endoscopy services
- expanding allied health practitioners' scope of practice to best meet patient needs
- adopting a performance framework to improve the delivery of mental health, alcohol and other drugs health services
- protecting the environment, by:
 - providing expert advice and research on threats to public health and the environment, epidemics and outbreaks
 - participating in interagency investigations to provide advice on the potential health impacts of environmental hazards
- building safe, caring and connected communities, by
 - participating in the *National Disability Insurance Scheme* to bring greater choice and control in disability support services
 - partnering with Spleen Australia to ensure Queenslanders living without a spleen or reduced spleen function have access to a specialised statewide support service
 - returning maternity services to rural communities
 - launching the *Queensland immunisation strategy 2014–17* to protect Queenslanders from vaccine-preventable diseases.

More information can be found in the *Our performance* section of the annual report.

Our financial highlights

The Department of Health's vision is to provide healthcare that Queenslanders value. To achieve this, seven major services are utilised to reflect the department's planning priorities. These services are: prevention, promotion and protection; primary healthcare; ambulatory care; acute care; rehabilitation and extended care; integrated mental health services; and Queensland Ambulance Service.

How the money was spent

The department's major services and their relative share are shown in Figure 1.

The Department of Health achieved an operating surplus of \$17.860 million in 2014-15 whilst still delivering on agreed major services.

The Department of Health, through its risk management framework and financial management policies, is committed to minimising operational expenses and related liabilities. In addition, the department's risk of contingent liabilities resulting from health litigations is mitigated by its insurance with the Queensland Government Insurance Fund.

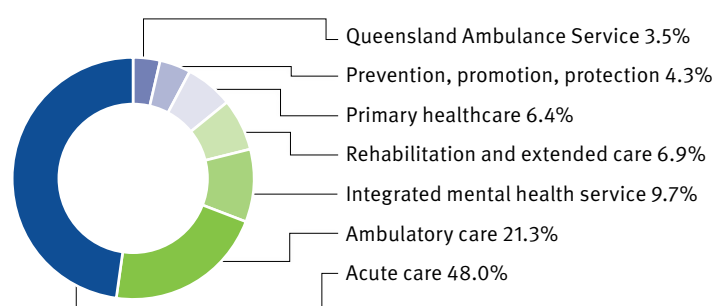


Figure 1: Expense by major services

Income

The Department of Health's income includes operating revenue and internally generated revenue. Revenue is sourced from three areas:

- State contributions;
- Commonwealth contributions, which includes National Health Reform Funding; and
- User charges and other revenue, which includes recoveries from Hospital and Health Services (HHSs), right of private practice arrangements, interest, licences and permits, gains on asset sales and sundry revenue.

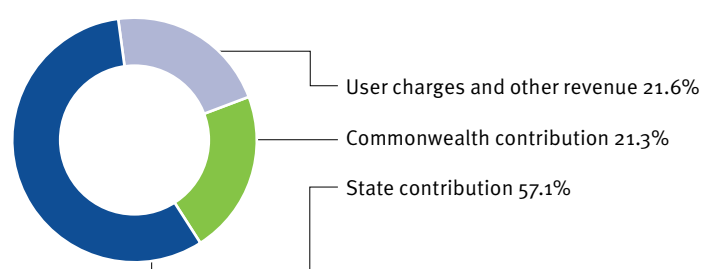


Figure 2: Revenue by funding source

Figure 2 details the extent of these funding sources for 2014-15.

The Department of Health's total income from continuing operations for 2014-15 was \$15.244 billion. Of this, the State contribution was \$8.699 billion (57.1%), Commonwealth contribution was \$3.246 billion (21.3%) and user charges and other revenue was \$3.299 billion (21.6%).

The Department is the employer of all non-executive health staff working for non-prescribed HHSs, with the cost of these staff recovered through labour recoveries income. Eight HHSs transitioned to prescribed employer status on 1 July 2014, with labour recoveries equating to \$1.700 billion in 2013-14, compared with \$6.764 billion in 2012-13. The total net income from continued operations excluding labour recoveries from HHSs is \$13.544 billion.

Expenses

Total expenses were \$15.226 billion, which is a decrease of \$4.165 billion (21.5%) from 2013-14. The decrease is predominantly attributed to eight HHSs becoming prescribed employers effective 1 July 2014, with the Department no longer recognising employee expenses in respect of prescribed HHS staff. The total expenditure of the Department excluding these costs is \$13.526 billion.

Figure 3 provides a comparison of Expenses in 2013-14 and 2014-15.

The major movement in expenses incurred includes:

- Employee expenses – decrease reflects eight HHSs becoming prescribed employers, meaning they are now the employers of health services employees and have responsibility for payment of their wages;
- Supplies and services – increase reflects additional funding (\$759 million) paid to HHSs for the provision of health services;
- Other expenses – movement reflects reduced write-offs relating to capital projects.

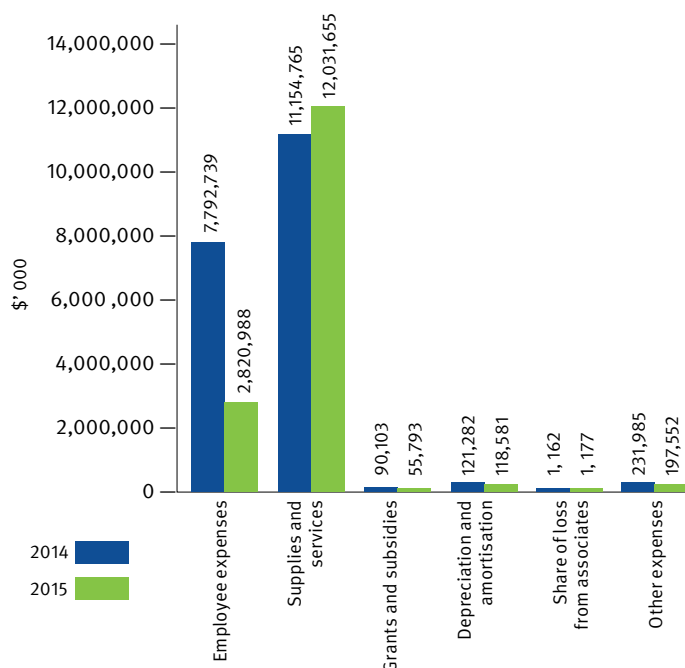


Figure 3: Expense two-year comparison

Chief Finance Officer statement

Section 77 (2)(b) of the *Financial Accountability Act 2009* requires the Chief Finance Officer of the Department of Health to provide the accountable officer with a statement as to whether the department's financial internal controls are operating efficiently, effectively and economically.

For the financial year ended 30 June 2015, a statement assessing the Department of Health's financial internal controls has been provided by the Chief Finance Officer to the Director-General.

The statement was prepared in accordance with Section 57 of the *Financial and Performance Management Standard 2009*. The statement was also provided to the department's Audit and Risk Committee.

Our performance

Our performance reports on the objectives of the *Department of Health strategic plan 2014–2018*. This is a sample of performance highlights from 2014–15 and is not representative of all work undertaken during this period.

Strategic objective 1—healthy Queenslanders

Facilitate the integration of health system services that focus on keeping patients, people and communities well.

Key performance indicators

- Percentage of Queenslanders who smoke daily.
- Aboriginal and Torres Strait Islander closing the gap target performance (refer to Strategy 1.3).
- Percentage of Queenslanders who are overweight or obese.

Key achievements 2014–15:

- Banned smoking (including e-cigarettes) in all Queensland public and private hospitals and health facilities, and schools, and for five metres beyond their boundaries under the *Tobacco and Other Smoking Products Act 1998*.
- Continued to run the \$1.65 million *All by myself* campaign, targeting a larger segment of smokers aged 24–44 years, resulting in a 26% increase in calls to Quitline (13 QUIT or 13 78 48) over the campaign period.
- Continued to run the \$1.5 million *Your future's not pretty* tobacco campaign—specifically targeting young women—achieving more than 79% recall with the target audience. This campaign was awarded the Public Relations Institute of Australia State Award—Health Category in September 2014.
- Performed 34,270 smoking cessation interactions with clients, including responding to 4718 referrals from health professionals via Quitline, the confidential service providing support and advice to Queenslanders who wish to quit smoking.
- Incentivised increased delivery of clinician-led quit smoking interventions for acute adult hospital inpatients. From 1 November 2014, \$5 million in Quality Improvement Payments was made available to Hospital and Health Services (HHSs), including Mater Services. The initiative resulted in:
 - a three-fold increase in smokers receiving quit support and an offer of nicotine patches following admission to a public hospital during the first six months of the initiative
 - an increase in the number of in-scope patients with a reported smoking status (75.5% to 81%) and identified smokers receiving a brief intervention (11.5% to 33.8%)
 - 10 out of 16 HHSs joining the initiative and qualifying for full or partial incentive payments
 - an increase in patient referrals to Quitline, provision of nicotine replacement therapy and clinician participation in online brief intervention training.
- Updated online brief intervention training for *Healthy Lifestyles*, providing health professionals with the skills to help patients make healthy lifestyle changes that increase healthy eating, incorporate physical activity into daily life and address tobacco, alcohol and other drug use. More than 600 health professionals have registered to complete the training.

- Released the *Queensland Aboriginal and Torres Strait Islander Cardiac Health strategy 2014–2017* to improve the cardiac health of Aboriginal and Torres Strait Islander people in Queensland.
- 327 children participated in the *PEACH™ program*—a free, parent-led, family-focussed healthy lifestyle program, that supports parents struggling to manage their children’s weight. It offers families practical advice on healthy eating and physical activity options over a six-month period. The Queensland University of Technology (QUT) delivered the program to 32 groups across the state on behalf of the department.
- Delivered the *Need for Feed* cooking program within 27 schools across the state—in partnership with Diabetes Queensland—to provide practical healthy cooking classes for high school students in years 7–10. The program has seen a:
 - 22.2% increase in students eating the recommended serves of fruit a day
 - 40% increase in students eating the recommended serves of vegetables a day
 - 6% decrease in the number of serves of unhealthy foods and drinks consumed by students.
- Delivered the *Jamie’s Ministry of Food* course—in partnership with the Good Foundation—to teach people to prepare simple, healthy, fresh and affordable meals, and get ‘back to basics’ in the kitchen. More than 5000 Queenslanders attended a cooking demonstration or community course.
- Delivered the *Healthier. Happier. workplaces program* to assist organisations and employees adopt healthier lifestyle behaviours. Achievements included:
 - 289 workplaces implemented the *10,000 steps workplace program*, reaching 10,042 workers
 - 1989 workplaces are registered members of the *Healthier. Happier. workplaces program*

Call for healthier lifestyle

The department trialled the *Upselling prevention pilot project* as a way of improving the health and wellbeing of Queenslanders.

Clients who contacted 13 HEALTH (13 43 25 84) or 13 QUIT (13 78 48) were asked to participate in a screening of their broader health and offered an intervention, information on the risk and a follow-up phone call—based on certain criteria and four risk factors:

- smoking cessation
- physical health and nutrition
- blood pressure and cholesterol
- cancer screening.

Key findings from the pilot include:

Smoking cessation

- 258 out of 425 clients accepted the intervention and completed the follow-up process.
- 122 clients acted on the intervention, such as:
 - contacting and/or making an appointment with Quitline
 - visiting a pharmacy for smoking cessation products and information
 - speaking to their local general practitioner (GP).



Physical health and nutrition

- 238 out of 345 clients accepted the intervention and completed the follow-up process.
- 106 clients acted on the intervention, including:
 - 33 clients accessing the Get Healthy program or speaking with their local GP
 - 73 clients accessing the Healthier. Happier website.

Blood pressure and cholesterol

- 90 out of 141 clients accepted the intervention and completed the follow-up process.
- 45 clients acted on the intervention, including:
 - 44 clients speaking to their local GP
 - 1 client visiting their pharmacy.

Cancer screening

- 206 out of 383 clients acted on the intervention and completed the follow-up process.
- 70 clients acted on the intervention, including 51 who spoke with their local GP.

Summary

In total, 26.5% of clients who participated in the pilot took action regarding their intervention. This figure indicates the use of existing mass population services, such as 13 HEALTH or 13 QUIT, to provide opportunistic intervention and increase the reach of prevention health programs.



- 640 workplaces and 1438 individuals attended *Leading safer and healthier workplaces* forums
- 327 workplaces and 621 individuals attended Workplace health and wellbeing professional development workshops
- 2483 workers registered in the *Workplace quit smoking program*, with a 20% quit rate 12 months post-program.
- Delivered additional phases of the *Healthier. Happier.* campaign, resulting in more than 628,000 visitors to the campaign website and more than 549,000 people completing the *Health & Fitness Age* person assessment calculator. This campaign won a highly commended award at the World Social Marketing Conference 2015.
- A total of 49,823 Queensland adults were provided with free blood pressure checks and type 2 diabetes risk assessments as part of the National Stroke Foundation's *Know your numbers program*. This pharmacy-based program promotes regular health monitoring of risk factors for stroke, heart disease and type 2 diabetes.

Strategy 1.1: Facilitate statewide health promotion activities and regulatory frameworks to protect Queenslanders' health.

Key achievements 2014–15:

- Trialled the *Upselling prevention pilot project* to increase consumer participation in programs to improve lifestyle, early detection and avoidance of disease and illness. During the pilot, 1476 consumers were asked about their health and were provided with brief interventions.
- Responded to more than 19,000 enquiries relating to the regulation of scheduled medicines in treatment of patients, processed more than 6500 admissions and discharges to the *Opioid treatment program*, and processed 4462 approvals and processed 5010 reports under the Health (Drugs & Poisons) Regulation 1996 relating to treatment of patients with controlled or restricted drugs.
- Launched the *Queensland immunisation strategy 2014–17* to protect Queenslanders from vaccine-preventable diseases.
- Contributed more than \$2 million in funding to deliver human immunodeficiency virus (HIV) prevention, support and education services within hospitals and community health services.

- Implemented and monitored the *Queensland HIV strategy 2013–2015* to reduce HIV transmission by 50% in Queensland by the end of 2015.
- Developed compliance plans—in partnership with HHSs—for nine public health Acts and Regulations to safeguard the community from potential harm or illness caused by exposure to hazards, disease or harmful practices.
- Delivered 1676 enforcement actions in response to identified non-compliance with public health legislation in the areas of food safety, health drugs, poisons, pest management, public health, radiation safety, tobacco and other smoking products. Enforcement actions comprised:
 - 1384 (83%) formal advices or warnings
 - 156 (9%) compliance/remedial/improvement notices, public orders and administrative law actions
 - 33 (2%) seizures
 - 92 (5%) prescribed infringement notices
 - 11 (1%) prosecutions.
- Commenced negotiations with a prospective possession licensee for a new radiation therapy device—*Leksell Gamma Knife*. Negotiations will continue into 2015–16 to ensure the device meets radiation safety, source security and legislative requirements.
- Granted 18,437 licences approvals and certificates, comprising:
 - 14,405 (78%) under the *Radiation Health Safety Act 1999*
 - 1630 (9%) under the Health (Drugs and Poisons) Regulation 1996
 - 2402 (13%) the *Pest Management Act 2001*.
 Total revenue raised by these licensing activities was \$3.4 million.

Strategy 1.2: Support disease prevention and early intervention strategies to promote healthy lifestyles and reduce disease.

Key achievements 2014–15:

- Conducted 2216 first aid courses, and issued 21,652 accredited certificates and 1122 non-accredited statements of attendance certificates to course participants facilitated by the Queensland Ambulance Service.

- Delivered the *CPR awareness program* to provide life-saving cardiopulmonary resuscitation (CPR) skills to the community. The volunteer program is delivered by Local Ambulance Committees (LACs) in partnership with the Queensland Ambulance Service.
- Extended the scope of practice for advanced care paramedics to provide clot busting drugs for patients suffering heart attacks.
- Implemented a statewide *Acute stroke referral hotline* for Queensland Ambulance Service paramedics to allow early entry of patients into the stroke management pathway.
- Received 322,780 calls via 13 HEALTH (13 43 25 84)—the 24-hour, seven days a week phone service for Queenslanders with health concerns—with the majority answered within 20 seconds.
- Performed 34,270 smoking cessation interactions with clients, including responding to 4718 referrals from health professionals via Quitline—the confidential service providing support and advice to Queenslanders who wish to quit smoking.
- Assisted local governments carry out their duties to manage health risks arising from asbestos containing material as outlined in the *Public Health Act 2005*.
- Provided more than \$484,000 in funding to HHSs to implement 29 immunisation rate improvement initiatives.
- Coordinated the *National uniform control on poisons project* on behalf of the Australian Health Ministers' Advisory Committee to address disparities with the control of poisons in Australia.
- Surveyed 87% of Queensland's licensed pest management technicians to determine baseline compliance of the pest management industry—key findings were disseminated to industry stakeholders.
- Continued to implement recommendations (prevention and control measures) from the Chief Health Officer's report—*Review of the prevention and control of Legionella pneumophila infection in Queensland* (September 2013). Recommendations included legislative reform, upgrade of information systems and national collaboration (e.g. changes to national standards).
- Addressed potential food safety issues by working with HHSs to investigate 1494 complaints, 300 prescribed contaminant in food notifications, 285 Australian Competition and Consumer mandatory reports, and 37 of 58 national food recalls which involved Queensland.
- Banned the possession of commercial tanning units under the Radiation Safety Regulation 2010. As a result, the 143 commercial solaria in Queensland are no longer operating, as 124 units have been destroyed and the remaining 19 units have been seized.
- Increasing public education and awareness, and proposed changes to legislation regarding tattoo removal are being progressed in consultation with industry and stakeholders. This is an ongoing focus of the department's public health work program during 2015–16, in response to the growth in the number of personal appearance services (including tattoo removal services) and the associated public health risks of tattoo removal using injectable products.
- Participated in interagency investigations to provide advice on the potential health impacts of environmental hazards, including the former asbestos factories, Townsville Port lead dust, drinking water disinfection by products, and groundwater contamination.
- Reviewed the *Public health practice manual* to provide a framework for the complementary and interdependent roles of the department and HHSs in the delivery of public health services and programs to protect and improve the health and wellbeing of Queenslanders.
- Released *The health of Queenslanders 2014: Fifth report of the Chief Health Officer Queensland* to provide data about the preventable health burden in Queensland. The report also included a booklet with data specific to each HHS.

Strategy 1.3: Support health service providers to close the health gap for Aboriginal and Torres Strait Islander Queenslanders.

Key achievements 2014–15:

- Contributed \$75.24 million to HHSs, and Aboriginal and Torres Strait Islander community-controlled health services to help close the gap in health outcomes for Aboriginal and Torres Strait Islander Queenslanders. Strategies include:
 - implementing Indigenous maternal and child health multidisciplinary services in hospitals and communities across Queensland

- establishing new community-controlled clinics in Edmonton, Laidley, Goodna, Caboolture, Maryborough, Wynnum and Warwick to target chronic disease
- continuing the *Indigenous cardiac outreach program* and the *Indigenous respiratory outreach program* to support people with chronic disease living in remote and very remote locations
- implementing hospital liaison services in major Queensland hospitals to assist Indigenous patients navigate the health system
- continuing the *Deadly ears, deadly kids, deadly communities* child hearing health outreach program to reduce the high rates of conductive hearing loss
- introducing drug and alcohol services in 21 discrete Indigenous communities
- continuing Quitline's *Yarn to Quit smoking program*. There are 1613 clients registered with the program and Quitline performed 2133 interactions with clients
- delivering training to Indigenous healthcare workers to gain qualifications to perform blood collection. This training is provided by Pathology Queensland in conjunction with the *Indigenous cardiac outreach program*
- providing funding to the Queensland Aboriginal and Islander Health Council to improve immunisation rates in Queensland, by employing clinical nurse consultants to:
 - support Aboriginal and Torres Strait Islander medical services
 - develop resources to raise awareness and promote immunisation
 - provide assistance to locally initiated immunisation projects.
- Continued the *Aboriginal and Torres Strait Islander cadet program* (Queensland Ambulance Service) which provides a vital link between Indigenous communities and pre-hospital patient care. It also supports employment, with cadets appointed and supported at Doomadgee, Normanton, Palm Island, Yarrabah, Thursday Island and Woorabinda.
- Continued the *Field officer program* (Queensland Ambulance Service) at Horn Island, Coen, Kowanyama and Cook Town, which allows field officers to work with very remote and isolated communities to enhance the capacity of these communities to prevent and better respond to healthcare emergencies and illness.

Sun safety a burning issue

case study

Sun safety is an ongoing challenge in Queensland, particularly for people in the 15–24 years age group.

Research indicates that this age group has the worst sun-safe behaviour, despite knowing the risks of developing skin cancer.

That is the reason behind Sun Mum—a unique character who effectively communicates sun safety messages and behaviours in a caring, informative and out-of-the-box way, which is hard to ignore.

First launched in November 2013, Sun Mum quickly became a cult figure, providing constant reminders of the five sun-safe behaviours in a fun and entertaining way through Facebook, YouTube, television advertising and when out and about.

Campaign results include:

- 3 in 5 young people would take precautions when out in the sun and 55% would consider their sun safe behaviours
- a very high-level of interaction with the campaign, with 60% of those who had seen the Sun Mum Facebook page engaging with it in some way
- Sun Mum Facebook page has received over 42,000 likes, with 91% of likes in the target market (45% male and 46% female).

The campaign won two gold, six silver and three bronze awards at the Brisbane Advertising and Design Club awards in October 2014.



Strategy 1.4: Maintain capacity and capability to coordinate and lead disaster and emergency response.

Key achievements 2014–15:

- Consolidated the *Queensland Health disaster plan* to ensure frameworks are in accordance with the state disaster management arrangements, and aids the escalation pathway to support HHSs and Queensland Ambulance Service disaster management plans in the event of a disaster in Queensland.
- Queensland Health, including the Queensland Ambulance Service, provided responses in consultation with a number of government agencies to a range of events across Queensland, including the 2014 G20 Leaders' Summit, Cricket World Cup, Asian Cup Football, and Tropical Cyclone Marcia, Pam and Nathan.
- Queensland Ambulance Service has an ongoing commitment to the effective disaster management training of its officers. In 2014–15, this included:
 - 523 officers completing the *State major disaster awareness course*, bringing the total number of officers trained to 4025.
 - 117 supervisors completed the *Emergency management leadership* training, bringing the total number of supervisors trained to 308
 - 117 supervisors completing Module 1 of the *Working in a disaster coordination centre* course
 - 1850 frontline paramedics certified or recertified in *Scott M98 respirator mask*, enabling effective forward command participation in, and coordination of, an emergency response
 - urban search and rescue officer capability increasing from four to 38
 - 20 officers participated in counter terrorism workshops and exercises aimed at disaster preparation, joint emergency services training, and chemical, biological, and radiological exercises.
- Provided coordination and leadership of emergency ambulance services to the Cairns Finance Ministers Meeting and the 2014 G20 Leaders' Summit in Brisbane.
- Engaged with key stakeholders regarding areas of security, health and disaster preparedness for Queensland Ambulance Service delivery and response to the 2014 G20 Leaders Summit in Brisbane.
- Reviewed biohazard containment procedures and infection control precautions as part of Ebola Virus Disease (EVD) preparedness.
- Sourced personal protective equipment (PPE), specifically for use with persons suspected or confirmed to have EVD to ensure high-level protection of healthcare workers across the state.
- Assessed and monitored 108 people who returned to Queensland from areas with wide-spread transmission of EVD for signs of infection with EVD—zero cases of EVD were confirmed in Australia.
- Simulated training for clinical management of an EVD case was developed and three one-day training workshops conducted.
- Implemented (Queensland Ambulance Service) a range of initiatives, including the *Clinical quality and safety* *communique*, education and training and additional PPE to appropriate staff to increase awareness and response capability in the event of a public health emergency within the state.
- Implemented a customised ambulance vehicle to respond in the event of an EVD outbreak. The ambulance unit isolates the driver's compartment from the patient, and can be used in the transport of haemorrhagic and/or infectious patients in an isolation pod. This unit has been used in both training and response situations.
- Ongoing partnership with the National Critical Care and Trauma Response Centre in Darwin to help support development of a trained and prepared cohort of clinical staff capable of deploying to disasters within Queensland, Australia or internationally.
- Delivered *Major incident medical management and support (MIMMS)* courses across HHSs to assist disaster preparedness, and the roll out of the new hospital MIMMS to HHSs as the first state in Australia to deliver such a course.

Strategic objective 2—accessible services

Ensure equitable access to safe, timely and quality health services for all Queenslanders.

Key performance indicators

- Length of stays in emergency departments.
- Length of waits for elective surgery.
- Length of waits for specialist outpatient clinics.
- Level of support for families with newborns.
- Ambulance responsiveness (refer to Strategy 2.3).
- 28 day mental health readmission rate.

Key achievements 2014–15:

- Invested an additional \$30 million in HHSs to deliver more than 10,000 additional specialist outpatient appointments.
- Invested \$30 million over the next two years to ensure long-wait ear, nose and throat patients receive their outpatient appointment and any required follow-up treatment by 30 June 2017.
- Reduced the number of patients waiting longer than the clinically recommended time for their initial specialist outpatient appointment from more than 100,000 as at 1 January 2015 to 82,088 as at 1 July 2015.
- Performed 60,738 postnatal care visits across the state under the *Mums and Bubs program*. Of these:
 - 51,845 were provided by public health practitioners
 - 8893 were provided by private practitioners.
- Responded to 40,266 calls, via 13 HEALTH (13 43 25 84), from parents and carers of children under 12 months of age, including 16,100 calls for babies under three months of age. These calls sought advice on the unwell/irritable newborns, fever, child development, sleeping/settling, breastfeeding, nutrition and immunisation.
- Child health clinical nurses facilitated five forums on the Queensland Health Facebook page with an overall reach of 42,110 users. Topics included breastfeeding, child development, sleep and settling, and fever.

- Continued to deliver the *Hospital in the Home* service to support patient flow, assist hospitals in meeting National Emergency Access Targets (NEAT), National Elective Surgery Targets (NEST), and increase the capacity within the public health system.
- Increased the percentage of emergency department attendances who depart within 4 hours of their arrival in the department from 75.5% for July–December 2014 to 77.9% for January–June 2015.
- Reduced the number of ready-for-surgery patients waiting longer than the clinically recommended time for their elective surgery.

| Urgency category | 1 July 2014 | 1 January 2015 | 1 July 2015 |
|------------------|-------------|----------------|-------------|
| Category 1 | 13 | 10 | 7 |
| Category 2 | 672 | 234 | 137 |
| Category 3 | 124 | 46 | 35 |
| Total | 809 | 290 | 179 |

- Received 21,229 referrals to Retrieval Services Queensland (RSQ) from across the state, resulting in 11,843 fixed wing tasks, 3615 helicopter tasks and 2312 road tasks performed in conjunction with Queensland Ambulance Service. A further 3459 referrals to RSQ received clinical advice and other non-transport services.
- Complete 2014–15 financial year data for the key performance indicator—*28 day mental health readmission rate* is currently unavailable, with complete results anticipated to be available in September 2015.

- Preliminary data available for the period 1 July 2014 to 30 May 2015 is 13.4%. The target of 12% for mental health readmissions is the nationally indicative target identified in the *Fourth national mental health plan: measurement strategy* (May 2011). As such, it represents a stretch target of good practice for HHSs to attain collectively rather than an incremental improvement from prior year performance. Improvements on this measure have been made in recent years and a range of initiatives continue to be progressed to achieve targets on this measure.

Strategy 2.1: Collaborate with Hospital and Health Services, government agencies and the non-government sector to identify and foster best-practice innovations.

Key achievements 2014–15:

- Extended the scope of practice of advanced care paramedics to provide clot busting drugs for patients suffering heart attacks.
- Implemented a statewide, dedicated *Acute stroke referral hotline* for Queensland Ambulance Service paramedics to allow early entry of patients into the stroke management pathway.
- Adopted a nurse endoscopy model in Queensland to address the rapidly growing demand for endoscopy services.
- Implemented four nurse-led clinics across the state to reduce acute hospital presentations for clients with chronic disease, stimulate early interventions and enhance community support.
- Discontinued the *Wait Time Guarantee program* in response to the renewed focus that patients have timely access to public health services at all points in the patient journey—not just elective surgery. The department is developing a program to tackle the number of people waiting longer than clinically recommended for specialist outpatient appointments (known as the ‘wait for the wait’) in 2015.
- Implemented the *Enterprise picture archiving communication system*—a system that stores, moves and displays medical images—at the Townsville, and Torres and Cape HHSs diagnostic imaging sites. With 82 medical imaging facilities (across nine HHSs) now sharing the system, these sites have seamless access to medical images to support patient care across the Queensland Health continuum through availability of relevant clinical information.
- Collected data from each state integrated public pathology service to establish and compare service indicators across the country. Pathology Queensland, in partnership with the National Coalition of Public Pathology, will use the comparative report and key performance indicators to benchmark, identify and implement best-practise systems to improve the efficiency of its operations.
- Upgrades to *The Viewer*, including *Consumer integrated mental health application* accessibility and the *Mater doctor portal*. It has also been made available on mobile devices through Queensland Health Wi-Fi.
- Developed strategic partnerships with other government agencies, local government and non-government organisations to coordinate a response in the prevention and control of communicable disease outbreaks.
- Participated in the review of best practice arrangements for the collection, euthanasia, transportation and testing of Category 3 bats that have bitten or scratched a human (Category 3 bats) for Australian Bat Lyssavirus. Identified best practice arrangements are implemented through the *Memorandum of Understanding* between Queensland Health, the Department of Environment and Heritage Protection, and the Royal Society for the Prevention of Cruelty to Animals Qld Inc.
- Continued to oversee the implementation of recommendations from the Ministerial Taskforce on health practitioner expanded scope of practice. This will support collaboration between HHSs to implement models of care that best meet patient needs through the effective and efficient use of the allied health workforce skills and knowledge.
- Established the *Role assessment and evaluation framework* to assist HHSs in undertaking a systematic post-implementation assessment and evaluation of new occupational roles, including physician assistants and Indigenous health practitioners that are piloted or implemented in Queensland public health facilities.
- Allocated \$5 million to the *New technology and evaluation program* to assist with the introduction and evaluation of health technologies new to Australia or the Queensland public health system. In 2014–15, 45 applications were received and 10 were recommended for funding.

Make a date to vaccinate

Immunisation saves around three million lives world-wide each year and helps to prevent outbreaks and hospitalisations from vaccine-preventable diseases.



The *Queensland immunisation strategy 2014–17* aims to protect Queenslanders from vaccine-preventable diseases by providing information about immunisation and how to make decisions based on credible evidence-based information when it comes to vaccinations.

Since the strategy commenced in July 2014, we have:

- launched the Vaccination dates/facts matter campaign to improve childhood immunisation rates
- launched *If you think* campaign to raise awareness of the benefits of adult immunisation and encourage adults to talk to their GP about measles, influenza and whooping cough vaccinations
- launched the *VacciDate* immunisation smartphone app, a free tool to improve parent access to reliable program and vaccination reminder information for their children
- improved public access to evidence-based immunisation information via www.vaccinate.initiatives.qld.gov.au
- fully immunised more than 90% of five-year-old children entering primary school
- introduced free whooping cough vaccination to women in the last trimester of pregnancy—with 11,424 pregnant women vaccinated as at 30 June 2015
- delivered the school immunisation program to secondary schools, including bringing forward



the dTpa (whooping cough) vaccination from Year 10 to Year 8

- provided access to statewide immunisation rates by HHSs on a quarterly basis via www.performance.health.qld.gov.au
- provided quality improvement payments for childhood immunisation of up to \$3 million to HHSs for improving immunisation rates
- processed more than 22,000 vaccine orders and distributed more than 2.2 million doses of vaccine across Queensland.

Immunisation is one of the department's most significant achievements.

- Extended *Hospital in the Home* public-private partnerships with Blue Care and Silver Chain until 2017 with a revised funding model and competitive pricing schedule.
- Transferred primary healthcare services from Yarrabah (Cairns and Hinterland HHS) to Gurriny Yealamucka, the local Aboriginal medical service, giving the community a stronger say in how their health services are delivered and providing opportunities for Indigenous ownership.
- Completed the *Allied health telehealth capacity building scoping project*. Key findings related to

current telehealth service models and barriers to accessing services, as well as opportunities for the expansion of allied health telehealth services. This will guide the development of training programs and support resources in the implementation phase of the project in 2015–2016. The project was a joint initiative of the department and the Cunningham Centre.

- Delivered telehealth services in collaboration with HHSs, primary healthcare and key partners:

- 27,331 non-admitted patient telehealth service events—an increase of 38% from 2013–14
- 1697 admitted patient telehealth events (as of March 2015)—an increase of 82% on the same period the previous year
- 12,613 tele-mental health provisions of service have been reported as of March 2015—an increase of 17% on the same period the previous year
- 189 telehealth-enabled trauma support and aeromedical retrieval services have been provided to March 2015—an increase of 103% on the same period the previous year.
- Expanded telehealth emergency management support services to 66 sites to provide support and advice in rural and remote communities. The scope of the service has grown to include maternity and mental health services.
- Collaborated with primary healthcare providers and non-government organisations to support the expansion of telehealth services, and to identify, prioritise and implement new and innovative telehealth-enabled models of care.
- Collaborated with CareFlight to establish a dedicated interfacility aeromedical transport helicopter based at Brisbane airport with an innovative flight nurse model, with the department leading the development of standards for this.
- Worked with CareFlight, Brisbane Airport Corporation and Queensland Ambulance Service to establish the only civilian aeromedical transport team for possible Ebola cases in Australia, with a full scale exercise conducted out of Roma to test capability and a suspect case also transported by road from regional Queensland.
- Commenced participation in a national ambulance-based \$2.7 million project to reduce suicide and to improve the mental health of men and boys. The three-year project is being led by Monash University and funded by the Movember Foundation. The project will map the needs of men and boys through ambulance presentations and identify key intervention points for linkage to appropriate care.

Strategy 2.2: Ensure health infrastructure has the flexibility and capacity to meet future service requirements.

Key achievements 2014–15:

- Completed the Queensland Ambulance Service capital works projects, including the refurbishment of the Gladstone Ambulance Station, replacement of the Pittsworth Ambulance Station, redevelopment of the Spring Hill Ambulance Complex and Station, and the Injune Ambulance Station and its residential property.
- Reviewed the statewide medicines formulary (*List of Approved Medicines*) to ensure it continues to support HHSs in managing pharmaceuticals. The review recommended continuation of a statewide approach to maintaining a narrow formulary, supported by a centralised procurement model.
- Collaborated with HHSs to ensure infrastructure has the flexibility and capacity to meet health service requirements, and to deliver upgrades to emergency departments' operating theatres, outpatient clinics, birthing suites and services in line with Queensland performance objectives.
- Refigured the management and operation of the Queensland Government's radioactive waste store in Esk that provides safe storage for radioactive substances which have outlived their useful service and cannot be disposed of by other methods. The store's operation is the responsibility of Forensic and Scientific Services, with the Health Protection Unit retaining responsibility for overall management of the facility. This delineation will enable more transparent regulatory oversight over the operations of store.
- Continued to work closely with clinical teams across the state to develop and implement innovative in-home water treatment solutions to allow home dialysis to take place in rural and remote locations.
- Commenced a number of information and communications technology (ICT) enabled projects to help Pathology Queensland improve the flow of information to its referring clinicians:
 - upgraded the *AUSCARE laboratory patient management program* and extended to new sites
 - developed an application to deliver information and patient results to a referring clinician's smart phone or tablet device

- developed the *Digital hospital platform* which provides electronic requests of pathology tests and delivery of results directly into patients' *integrated electronic Medical Record (ieMR)* system.
- Developed the *ICT strategic roadmap* which provides a 10-year vision for ICT to ensure it meets the expanding needs of the public health system.
- Increased emergency capacity and capability through new and upgraded emergency department facilities and services at the Caboolture and Redcliffe Hospitals' Paediatric Emergency Services.
- Sought expressions of interest from the private sector on the redevelopment of the Royal Children's Hospital site as a world class health precinct (Herston Health Precinct)—submissions closed 4 February 2015.
- Progressed statewide health infrastructure planning with the HHSs with a focus on the prioritisation of new or replacement infrastructure and incorporating non-traditional design solutions that allow for rapid change, growth and efficient delivery.
- Maintained the *Emergency department information system* which currently captures Queensland Health emergency department attendance data at 58 sites across the state. The system monitors patient progress, provides alerts and records treatment details.
- Maintained the *Patient flow manager* which provides HHSs with a whole-of-health-service view of patient flow, including admissions, impending discharges across all hospitals in a geographic catchment, with live data on bed availability.
- Improved clinical management of patient care from admission to discharge by using electronic patient journey boards. As at 30 June 2015, 410 boards have been implemented across the state, with an additional three boards scheduled to be installed.
- Responded to 946,370 incidents (Code 1–4 and casualty room attendances) across 290 response locations.
- Responded to 325,877 Code 1 emergency incidents with 50% responded to within 8.3 minutes, and 90% within 16.4 minutes. Response performance in 2014–15 was maintained despite a 5.6% increase in the demand for Queensland Ambulance Service services impacted by an increasing and ageing population with burgeoning levels of chronic disease. Over the last 10 years, Queensland Ambulance Service has experienced an average of 4.9% per annum increase in demand.
- Funded the recruitment of an additional 100 ambulance officers to provide enhanced roster cover in response to increasing demand for ambulance services.
- Commissioned 155 new and replacement ambulance vehicles as part of a *Rolling vehicle replacement program* critical to ensuring quality frontline ambulance services.
- Approximately 89% of patients who received care from Queensland Ambulance Service reported clinically meaningful pain reduction. This measure provides an indication of the effective management by Queensland Ambulance Service of severe injury related pain.
- Received a 99% overall patient satisfaction rating from Codes 1 and 2 patients treated by the Queensland Ambulance Service (emergency and urgent cases) as reported in the *Report on Government Services (ROGS, 2015)*.
- Expanded the *Lower acuity response unit model* to the Townsville, Metro North, Metro South and Gold Coast Local Ambulance Service Networks (LASNs). The response model allows for alternative and appropriate treatment pathways for those patients not requiring stretcher transport in an emergency ambulance, thereby reducing emergency department presentations.
- Commenced a two-year statewide rollout of replacement defibrillators which provide state-of-the-art vital signs monitoring, defibrillation and early detection of lifethreatening cardiac conditions.
- Expanded the *Emergency vehicle priority (EVP)* capability, which provides green lights at traffic signals to approaching ambulance vehicles responding under emergency lights and sirens conditions, to improve travel time and safety for paramedics and the community:
 - a total of 215 ambulance vehicles have been equipped with the EVP technology since the introduction of this initiative

Strategy 2.3: Provide safe, timely and quality ambulance services to meet the needs of the community.

Key achievements 2014–15:

- Received 684,446 Triple Zero (000) calls for assistance and attained 91.24% of calls answered by Queensland Ambulance Service operations centres staff within 10 seconds.

- the initiative resulted in 232,516 green light activations, of which Queensland Ambulance Service vehicles progressed through intersections 81% of the time
- the project also received the report on the *Performance evaluation of Gold Coast emergency vehicle priority system*, an independent evaluation conducted by the ARRB Group that demonstrated a 17% to 26% improvement in travel time for ambulance vehicles.

Strategy 2.4: Support Hospital and Health Services in maximising patient safety outcomes and patient experience.

Key achievements 2014–15:

- Implemented the *Guideline for medical imaging—patient identification and procedure matching* to prevent patient harm from clinical incidents associated with wrong patient or wrong body part.
- Trialled the automation of computed tomography imaging radiation dose monitoring and reporting to improve and expand dose optimisation programs.
- Sponsored statewide standardisation of point-of-care-testing (POCT) availability to health services which do not have comprehensive on-site pathology services. This assisted in the delivery of readily accessible, quality services to patients in rural and remote areas.
- Expanded the *ieMR program* to securely capture a patient's known allergies and reactions, reducing the risk of adverse events during care.
- Integrated the *Consumer integrated mental health application (CIMHA)* with *The Viewer*. This provides clinicians with added consumer mental health information alongside existing patient history details, and enables mental health staff to access wider held patient history and clinical event details recorded across Queensland Health facilities and services.
- Conducted the inaugural *2014 Statewide small hospitals patient experience survey* to measure the experience of patients with health services delivered in small, rural and remote hospitals:
 - 9347 patients were interviewed from 83 small hospitals and multipurpose health services across Queensland
 - 71% of patients rated their care as very good, 20% as good and 6% as adequate.
- Conducted the inaugural *2014–15 Statewide maternity patient experience survey* to measure the experience of patients with maternity services:
 - 4977 patients were interviewed from 38 hospitals across Queensland
 - 57% of patients rated their antenatal care as very good, 31% as good and 9% as adequate
 - 72% of patients rated their labour and birth care in hospital as very good, 17% as good and 7% as adequate
 - 55% of patients rated their postnatal care in hospital as very good, 28% as good and 12% as adequate
 - 75% of patients rated their home maternity care as very good, 20% as good and 5% as adequate.
- Provided safety and quality key performance indicator reports quarterly to Health Service Chief Executives (HSCEs) and statewide quarterly reports to the Patient Safety Board to assist in monitoring patient safety and quality.
- Raised awareness of falls prevention via the *April No Falls* month campaign to help those at risk of falling to stay on their feet.
- Reviewed the *Falls assessment and management plan*—the statewide clinical form to document initial and ongoing falls injury prevention strategies. This was promoted via video-conference education sessions to HHS staff.
- Developed the *Adult pressure injury risk assessment tool* to assess and manage a patient's skin integrity on admission and throughout their stay in hospital to minimise the risk of patients acquiring pressure injuries during their stay.
- Developed 38 early warning and response system tools to assist clinicians to quickly detect when a patient's health is deteriorating and to support a more timely response to improve the patient's outcome.
- Issued three alerts, four notices and five communiqués relating to patient safety on a range of topics, including snake bites, intravenous fluid bags, anaphylaxis, and heparin and lignocaine look-alike medication ampoules to support HHSs in providing the safest care possible.
- Conducted the *Bedside patient safety audit* across 120 inpatient and 20 residential aged care facilities to ensure HHSs met the *National Safety and Quality Health Service Standards*, and to identify and implement actions at a local level to improve patient outcomes.

- Revised statewide standing orders for the release of glucose, glucagon and naloxone for patients presenting with a condition that requires a prompt response to improve the outcome. This revision enables standing orders to reflect current best practice to ensure patients receive the best treatment possible.
- Developed three new guidelines and implemented the *Intravascular device management program* to support HHSs in reducing preventable healthcare-associated infections.
- Reviewed the *I-Care™ guidelines*—an evidence-based bundle that addresses the insertion and management of intravascular devices—introducing six POCTs to complement the guidelines.
- Conducted the *Mental health consumer perceptions of care survey 2014* to measure consumers' perceptions of the care they received from Queensland public mental health services. The survey response rate was 44%. Following analysis of consumer feedback, each service developed an action plan that identified opportunities to improve the safety and quality of care within the service. In 2014, many services demonstrated improved scores that directly linked to the improvement initiatives outlined in the action plans.
- Adopted *Ruby's Rule* within clinical practice to ensure intravenous fluid infusions are managed appropriately.
- Engaged HHSs to:
 - place dedicated collection staff within emergency departments to support medical and nursing staff with pathology specimen collection and training
 - implement POCT and the *Laboratory instruments upgrade program* to perform on-site testing, resulting in a quick turnaround for results and earlier clinical intervention.
- Expanded the scope of practice of allied health professionals to improve patient access to services, reduce waiting times in emergency departments and specialist outpatient appointments, and facilitate patient flow across the public health system.

Strategy 2.5: Continuously improve clinical governance systems and regulatory frameworks to ensure accountable, safe, high-quality health services to improve the performance of, and public confidence in, the health sector.

Key achievements 2014–15:

- Developed the *Action plan: regulatory reform for the Department of Health 2014–2015* aimed at reducing red tape and regulatory burden as a result of out-dated legislation, unnecessary government administration and over burdensome compliance and enforcement practices. This resulted in the introduction of technology and improved processes to minimise unnecessary restrictions on business generated from the state's legislative and regulatory system.
- Reported against the *Mental health alcohol and other drugs performance framework* monthly to facilitate quality improvements in service delivery with the goal of achieving better outcomes for consumers. The framework will be reviewed every three years to maintain focus on current and emerging priorities. A new framework will be released during the 2015 calendar year.
- Completed the *Clinical services capability framework (v3.1) functional assessment project* to deliver an updated, more flexible and concise version. This removed unnecessary regulatory burden for both public and private health sectors where possible, without compromising patient safety and quality care.
- Implemented the revised *Queensland Ambulance Service clinical practice manual* to improve patient care guidelines and consolidate clinical changes in the scope of practice for all Queensland Ambulance Service paramedics.
- Designed and introduced a major restructure of the *Queensland Ambulance Service clinical governance framework, policy and procedures* to ensure greater accountability and enhance patient safety. The framework identifies systems, processes and behaviours to maintain high standards in delivering safe clinical care across all LASNs.

- Expanded quality and safety governance processes using the *Queensland Ambulance Service clinical audit review tool* (CART) continue to provide systematic review of patient care and clinical outcomes, and measure compliance to clinical standards. In 2014–15, more than 11% of all Queensland Ambulance Service emergency responses were subject to quality and safety governance processes through the CART.
- Developed and implemented a reporting framework for the *Public Health (Infection Control for Personal Appearance Services) Act 2003* and the *Public Health (Infection Control for Personal Appearance Services) Regulation 2003* which are administered and enforced by local government. The framework enables local government to demonstrate compliance with legislation that regulates the body art and personal appearance service industry in Queensland.
- Commenced the review of the public health regulatory framework, including its regulatory and enforcement guidelines for public health legislation. These documents assist and support authorised officers within the department and HHSs to undertake consistent, best practice regulatory decision-making and enforcement action for public health legislation across Queensland.
- Developed and implemented a statewide aeromedical clinical governance framework to ensure a consistently high standard of care during the patient retrieval process. All government and non-government service providers collaborated to develop best practice standards across multiple aeromedical platforms.

Fighting obesity



Our obesity rates are the highest in Australia, costing our healthcare system over \$391 million per year.

Obesity-related chronic disease, such as diabetes, heart disease and some cancers can reduce life expectancy up to 10 years.

It is a massive issue, which is why the department launched *Healthier. Happier.* a positive and inclusive multi-channel campaign designed to encourage all Queenslanders to be healthier, regardless of size.

Phase one was launched in October 2013 and asked people to perform an honest assessment of their weight, nutrition and physical activity habits using the *Health & Fitness Age calculator* via www.healthier.qld.gov.au. Since it launched, the calculator has been completed more than half a million times.

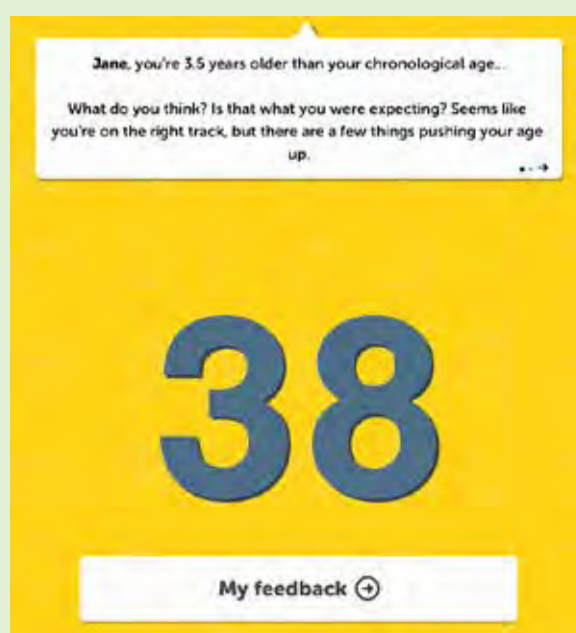
Phase two introduced small changes people could make to be healthier. It showed people that being healthier doesn't necessarily require a dramatic or daunting change. It could be as simple as:

- eating more fruit and vegetables
- watching your portions
- being aware of sugary drinks
- moving more and sitting less.

Research indicates the campaign has delivered positive results, with a large portion of people starting to make healthier changes:

- 47% having fewer sugary drinks
- 46% eating more fruit and vegetables
- 44% having smaller portions
- 31% spending less time sitting down.

Fighting obesity in Queensland is a challenge we are tackling head on.



Strategic objective 3—innovation and research

Foster innovation and research that contributes to quality patient care and outcomes, and health system improvement.

Key performance indicators

- Rates of preventable hospital acquired infections.
- Collaboration with universities and/or research institutions to underpin development of innovative models of care.

Key achievements 2014–15:

- The rate of hospital acquired infections is measured as the rate of *Staphylococcus aureus* (including MRSA) bloodstream infections for the period 1 July 2014 to 30 June 2015 was 0.8 per 10,000 patient days.
- Reviewed six intravascular device *I-Care™* guidelines and introduced six POCTS to complement the guidelines. Intravascular devices are a focus of more than 30% of blood stream infections in Queensland public hospitals. The guidelines provide best practice advice for the management of intravascular devices.
- Partnered with five Queensland universities to provide clinical placements for students undertaking degrees in paramedical science and double degrees in paramedical science and nursing.
- Partnered with the Queensland University of Technology (QUT) to deliver two postgraduate programs as part of the *Queensland nurse endoscopy project* to address the rapidly growing demand for endoscopy services:
 - Graduate Certificate in Nursing (Gastroenterology)—currently there are 47 registered nurses enrolled in the course
 - Master of Nursing (with a focus on endoscopy).
- Engaged with the School of Economics at the University of Queensland (UQ) to conduct a productivity measurement study of Pathology Queensland's laboratories. The study, using different analysis methods, will look at how to decrease costs in the face of increasing test volumes, without compromising quality or service standards. The results of the study are expected in late 2015. It is hoped that the study, design

and data analysis techniques will assist Pathology Queensland to better understand and develop more meaningful key performance indicators to better manage the organisation.

- Partnered with UQ to establish the HIV STI Professorial Chair, to develop and lead research into HIV and sexually transmissible infections.

Strategy 3.1: Support health system and clinical innovations, strategic partnerships, and leadership within and across service providers, and across all levels of government.

Key achievements 2014–15:

- Made strategic investments to support the development of innovative integrated care models in Metro North and Gold Coast HHSs with the aim to build an evidence-based on the clinical and cost effectiveness of new models of care.
- Fostered strategic partnerships with interagency health jurisdictions via Australasian Health Infrastructure Alliance membership.
- Delivered programs in partnership with:
 - Queensland Treasury (Projects Queensland)
 - Department of the Premier and Cabinet—*State health infrastructure plan*
 - Department of State Development, Infrastructure and Planning—*Royalties for regions* and the Alpha Community Hospital.
- Supported and provided advice to HHSs on the delivery of capital infrastructure planning

studies, business cases and building performance evaluations (BPEs).

- Delivered the *New technology funding evaluation program* and the *Health innovation fund program* to improve service delivery and patient care by providing grants for innovative solutions, including a new model of care, new health technology and significant clinical redesign. A total of \$10.6 million was allocated for both programs in 2014–15.
- Established a National Disability Insurance Scheme (NDIS) Committee to oversee and coordinate Queensland Health's NDIS transition plan to assist in preparing Queenslanders, the department and HHSs from progressive roll out of the scheme in Queensland.
- Partnered with the Department of Communities, Child Safety and Disability Services, HHSs and the Statewide Child Protection Clinical Partnership to support the implementation of the recommendations of the *Queensland child protection commission of inquiry*.
- Provided (via the Queensland Clinical Senate) independent strategic advice and leadership on system-wide issues affecting quality, affordability and efficient patient care.
- Engaged (via the Statewide Clinical Networks) clinicians to innovate for service improvement, embed evidence-based practice and monitor clinical standards. There are:
 - 20 networks, each representing their own peak body of clinical expertise in Queensland
 - more than 1000 clinicians actively participating in network meetings and work groups
 - more than 6000 clinicians who receive and provide information and feedback.
- Updated and implemented the *Non-government organisations performance framework* to ensure non-government organisations meet governance requirements and service quality to provide safe, high-quality healthcare.
- Upgraded the BreastScreen Queensland (BSQ) register to send text messages reminding women of their appointments, and transitioning towards an online bookings and electronic notification system.
- Produced and distributed quarterly performance dashboard reports (data from the BSQ register) to HHSs to monitor performance against BreastScreen Australia accreditation requirements. Data was also provided to external agencies, including the Australian Institute of Health and Welfare to

report on screening participation and the overall performance of BSQ.

- Provided pap smear screening histories to pathology laboratories, health providers and women for clinical management purposes. External pathology laboratories were provided with data on performance measures aligned to their accreditation requirements. Data was also provided to external agencies, such as the Australian Institute of Health and Welfare to report on screening participation and the overall performance of the Queensland Health Pap Smear Register.
- Delivered the *Paramedic induction program* to provide a practical foundation program preparing university graduates for operational duties as advanced care paramedics, and to provide orientation and induction for paramedics from interstate and international jurisdictions. In 2014, 15,325 participants were enrolled in the program.
- Participated in the *Prehospital anti-fibrinolytics for traumatic coagulopathy and haemorrhage*—a national ambulance and emergency department study—to examine the efficacy of tranexamic acid for severely injured trauma patients. Protocol development and endorsement occurred in 2014–15 with paramedic training and rollout to occur in July 2015. This study will inform best practice treatment for trauma patients in Queensland.

Strategy 3.2: Supporting ongoing innovation, teaching, research and continuous learning.

Key achievements 2014–15:

- Commenced the rollout of operational iPads to paramedics as part of the *Queensland Ambulance Service operational mobility strategy*. The strategy provides a mobile platform for the provision of real time in-field communications and training, including access to the new digital *Clinical practice manual*, *Field reference guide*, streamlining administrative functions, and facilitating the future transition to a new electronic patient care record.
- Queensland Ambulance Service managers and frontline supervisors now have mobile access to the *Integrated real-time operational ambulance management (iROAM)* system via the iPad platform. iROAM has a number of tools

that aid in the overall analysis of incidents and is an important instrument to support real time operational decision making and provide retrospective incident review.

- A Queensland Ambulance Service *Officer dashboard* with workforce profiles is also accessible through the iPad, and provides each officer as well as supervisors with a further tool to monitor individual officer workload and performance.
- Provided supervision and training of 70 medical officers to participate in the *Royal College of Pathologist Australasia pathology training program*.
- Employed six full-time employees and provided funding of approximately \$1.2 million to commence 28 research projects in conjunction with HHS partners and associated Queensland academic institutions, across the disciplines of haematology, chemical pathology, anatomical pathology and microbiology.
- As at 30 May 2015, Queensland Health has 40 *Student Placement Deeds* with Australian universities and registered training organisations to provide an overarching framework under which students of health training programs can undertake clinical placements and ensure consistency across all placement activities in HHS facilities.
- Commenced phase one of a clinical safety trial for a monoclonal antibody against Hendra virus. The first cohort of volunteers (eight) have been dosed and tested, with five cohorts to be tested throughout the trial. The trial is expected to be completed by August 2016.
- Delivered three simulated training workshops in the management of EVD to ensure clinicians can safely manage a person with the disease and reduce the likelihood of healthcare worker infection.
- Released the inaugural *Health of the Queensland clinical workforce 2015 report* to provide a statistical analysis of the Queensland clinical workforce, including the benchmarking of clinical workforce data against other Australian jurisdictions. The report, published annually, will support workforce planning activities within the department, HHSs and the broader health industry.
- Partnered with the University of Adelaide to develop and release the *Queensland child oral health survey 2010–2012, the beginning of change* (final report). The report is a descriptive 'snapshot' of the oral health and dental behaviours of Queensland children, and provides baseline

information to evaluate the benefits of water fluoridation in Queensland. Key findings included:

- 49.5% of 5–10 year olds had decay experience in their primary teeth, while 30% of 6–14 year olds had decay experience in their permanent teeth
- most children have good oral health, however levels of tooth decay were much higher among some groups, including Aboriginal and Torres Strait Islander children, and those children from low-income households
- children from long-term fluoridated Townsville had significantly lower tooth decay compared with children from previously non-fluoridated regions of Queensland.

The department is working with HHSs to provide up-to-date oral health outcomes and dental service information relevant to their local communities to assist with public service planning and evaluation.

- Led the development of a request for offer for the establishment of the Queensland Alliance for Environmental Health Science (QAEHS). The QAEHS will receive funding of \$2.27 million over three years (to 30 June 2018) to provide a range of research, training and advisory services to the Queensland Government relating to environmental health. This initiative will be coordinated via the department. Submissions closed 4 June 2015, and the successful tenderer is expected to be announced in mid-2015.

Strategy 3.3: Develop statewide policy and strategy in line with Queensland Government priorities for health, current research, and new and emerging strategic health issues.

Key achievements 2014–15:

- Produced 38 health technology briefs, and three new and emerging health technology reports, ensuring clinicians have access to leading-edge, evidence-based technology and models of care.
- Continued to work with the Department of Communities, Child Safety and Disability Services to prepare for the implementation of NDIS in Queensland from July 2016. NDIS will bring greater choice and control in disability supports for eligible people with a disability and is intended to improve integration of care across disability and other mainstream systems, including healthcare.

- Following an investigation into the potential contamination of Propofol, the department developed a statewide *Wipe the stopper* resource to increase awareness of practice requirements and reduce the risk of infection to patients.
- Developed resources to support Queensland health services to identify and manage patients with suspected or confirmed EVD.
- Released the *Queensland Health research strategy and investment plan 2015–2018* to guide health and medical research within Queensland Health.
- Awarded four physiotherapy and seven nursing and midwifery fellowships to Queensland health professionals to conduct research into healthcare improvements, bringing the total number of research fellows supported by health and medical research funding to 51 fellows (clinicians and allied health professionals).
- Provided more than \$55 million to HHSs and a further \$23 million to QIMR Berghofer, Queensland Emergency Medicine Research Foundation, and the Australian Centre for Health Services Innovation to undertake research to improve healthcare for Queenslanders across a wide range of health issues, including cancer, infectious diseases and mental health.
- Invested \$650,000 to support Cancer Council Queensland in the recruitment of patients to participate in clinical trials of new cancer treatments.

Get the knives out!



Queensland has the highest rate of obesity in Australia—with 65% of adults and 25% of children overweight or obese.

To tackle the problem, a unique cooking skills program—*Jamie's Ministry of Food*—was introduced to improve skills and confidence in healthy cooking and eating practices.

The program commenced in 2011 with the establishment of a fixed food centre in Ipswich and a purpose-built mobile kitchen that travels across the state to local communities.

Four years on and the program is still thriving, teaching and empowering people to cook healthy, fresh and affordable meals at home.

Since the program's introduction, more than:

- 22,000 people have attended a cooking course, cooking demonstration or community event
- 4000 people have completed a five or 10-week course at the Ipswich food centre
- 4500 people have attended a five-week course through the mobile kitchen.

The program is a practical solution to obesity and diet-related disease, and a successful response to developing basic healthy food practices among Queenslanders.

Strategy 3.4: Enable a health service planning environment that supports the planning, delivery and monitoring of integrated services and innovative models of care to better meet the needs of the community.

Key achievements 2014–15:

- Engaged HHSs to assess health service and infrastructure needs, identify health service gaps and priorities, and develop future planning. This included:
 - developing, reviewing and updating health service planning resources
 - providing relevant health service planning support to inform policy development and development of statewide health service plans and strategies
 - working to improve health outcomes for Aboriginal and Torres Strait Islander people by providing leadership, strategic advice and direction on effective and appropriate policies and programs
 - working with stakeholders to maximise the effectiveness of the Aboriginal and Torres Strait Islander services and programs across the health system
 - managing the pre-qualified health service planning and functional design panel
 - leading and managing the *Health service planning quality management system* and scheduled certification processes.
- Commenced planning in accordance with the Queensland Government's *Total asset management plan* framework as part of Queensland Health's future asset requirements to support the health service delivery needs of the Queensland community.
- Progressed infrastructure planning to identify capital requirements of HHSs, with a view to prioritise facilities across Queensland for potential capital investment.
- Performed BPEs in conjunction with the HHSs on the following projects:
 - Gold Coast University Hospital post commissioning (BPE is nearing completion)
 - Queen Elizabeth Hospital—emergency department and endoscopy unit (post-commissioning BPE planning underway)
 - Mackay Base Hospital Redevelopment Stage 1 and 2 completion works (completed and report provided to the Mackay HHS end of July 2014)
 - multiple mid-project BPEs are underway across capital planning and delivery programs.
- Commenced reporting on oral health clinical indicators to assist HHSs in evaluating the treatment provided by public dental services. Indicator rates are not an absolute measure of performance, but allow benchmarking between services, clinics and individuals, flag issues for further investigation and identify opportunities for improvement. This initiative aims to improve patient outcomes and the cost-effectiveness of public dental care and support HHSs in meeting the *National Safety and Quality Health Service Standards*.
- Published health service activities and performance on the Hospital Performance website to maximise transparency around hospital performance, to keep communities informed about their local hospital, and to drive improvements within the HHSs.
- Established a baseline data confidence level for departmental data collections and a data assurance program of work for 2015–16. This will further develop the initial data integrity baseline and will involve engagement with data sources at a HHS level.
- Continued to provide Queenslanders with detailed information on public dental waiting lists via the Queensland Health and Hospital Performance websites. Data includes the number of people waiting in every public dental clinic, how long people have been waiting, and the number of patients who recently began dental care. Monthly updates ensure accurate, transparent and relevant reporting on access to public dental care in Queensland.
- Clinically and logistically coordinated the transfer of 17,770 patients and provided clinical advice and other non-transport services for a further 3459 patients.

| | Fixed wing transfers | Rotary wing (helicopter) transfers | Road transfers | Advice | Other | Total |
|--------------|----------------------|------------------------------------|----------------|--------------|--------------|---------------|
| Adult | 9,936 | 3,331 | 459 | 660 | 1,162 | 15,548 |
| Paediatric | 1,907 | 284 | 1,853 | 643 | 994 | 5,681 |
| Total | 11,843 | 3,615 | 2,312 | 1,303 | 2,156 | 21,229 |

Strategic objective 4—governance and partnerships

Provide effective governance of the health system and engage with key partners to provide health services that are sustainable and value for money.

Key performance indicators

- HHS average cost per Queensland weighted activity unit.
- Percentage of capital infrastructure projects delivered on scope, time, cost and fit-for-purpose.
- Number of service provision contracts released to open tender.
- Number of data sets released under the Open Data Initiative.
- Percentage of agreed red tape reduction initiatives on track.

Key achievements 2014–15:

- Addressed the HHS average cost per Queensland weighted activity unit and facilitated enhanced HHS efficiency and financial performance with service agreement key performance indicators that:
 - explicitly linked funding to the delivery of services
 - enhanced the focus on outputs, outcomes and quality
 - provided mechanisms to reward good practice and support quality initiatives
 - highlighted HHS variations in costs and practices to improve service cost-effectiveness.
- The Queensland funding model, using activity based funding and the Queensland Efficient Price, in conjunction with the *HHS performance management framework*, will continue to enhance public accountability while driving technical efficiency in the delivery of health services in 2015–16.
- Achieved 96% for capital infrastructure projects delivered on budget, time and scope within a 5% unfavourable tolerance. The 2014–15 target estimate was 95%. Note: although all projects were completed or are forecast to be completed within scope, a small number of projects did not meet or are forecast not to meet the time tolerance.
- Delivered (Queensland Ambulance Service) four out of five published capital infrastructure projects (80%) within budget, scope, time and fit-for-purpose objectives in 2014–15. The Russell Island Ambulance Station was completed in August 2015.
- 49 service provision contracts released to open tender including:
 - 9 for social support services, both statewide and location-specific
 - 4 for medical consumable services
 - 13 medical equipment and maintenance services
 - 19 medical services.
- Three service provision (Queensland Ambulance Service) contracts released to open tender:
 - electronic *Ambulance report form (eARF) application development and deployment with managed service*
 - Queensland Ambulance Service portal replacement
 - fit-out of Mercedes-Benz Sprinter Vans.
- Published 39 new data sets (a total of 52 new resources).
- Published the data sources outlined in the *Open data roadmap* (an open data release schedule), contained in the *Department of Health open data strategy*.
- Implemented the *Investment management framework*, including the establishment of the Investment Review Committee to support clear governance pathways, process and accountability towards investment decision making.
- Implemented the *Expenditure delegations framework* and individual delegations to more than 800 banded positions.

Strategy 4.1: Commission services that deliver healthcare in ways that maximise clinical and cost effectiveness, and which meets the needs of the community.

Key achievements 2014–15:

- Continued strategies to derive increased value from commissioning expenditure as well as maintain the focus on reducing avoidable harm and incentivising the uptake of good clinical practice through pricing and incentive funding. Strategies included:
 - introducing two new *Pay for outcomes* schemes to incentivise HHSs to improve access for specialist outpatients and reduce avoidable readmissions for chronic disease
 - engaging with:
 - Townsville, Wide Bay and Mackay HHSs in health services planning activities
 - all HHSs in modelling the *Estimate of future activity* and community needs to inform the 2015–16 commissioning negotiations
 - implementing a shadow purchasing model for specialised community mental health services to provide greater visibility of services, including improvements to the recording of clinical activity and subsequent increase in packages of care meeting minimum service expectations.
- The expenditure on blood and blood products for 2014–15 was expected to be \$96.5 million—a 7.2% increase on 2013–14 expenditure. A major driver for this growth was the use of Intravenous Immunoglobulin, which is used for the treatment of immunodeficiency disorders. Queensland is participating in a national program of measures to contain the growth in demand for Immunoglobulin and its cost to governments. This includes:
 - developing and maintaining policies and procedures for access to Immunoglobulin products
 - establishing and supporting a national network of committees
 - evolving the criteria for access to products
 - developing and implementing a national ordering and outcomes database, and a performance improvement program

- potential efficiency improvements through improved governance and streamlined product distribution.

- Negotiated a partnership with Spleen Australia to ensure Queenslanders living without a spleen or reduced spleen function have access to a specialised statewide support service. This partnership was publically launched on 11 May 2015 and uptake of the service has been very encouraging. As at 8 July 2015, more than 130 patients have registered with Spleen Australia.
- The average gross cost per incident for the Queensland Ambulance Service was \$649 per incident compared to the national average of \$855 per incident as published in the *Report on Government Services (ROGS, 2015)*.

Strategy 4.2: Develop strategic partnerships with providers to make more efficient use of resources and ensure value for money in the provision of health services.

Key achievements 2014–15:

- Targeted investment towards tackling chronic disease among Aboriginal and Torres Strait Islander people through a request for offer to procure culturally appropriate, evidence-based and patient-centred health services. Thirteen new initiatives proposed by 11 different organisations were successful in attracting funding. This new funding round represents approximately \$24 million for targeted Indigenous health service delivery until June 2016.
- Worked with HHSs to ensure the most efficient use of linen and minimise the volume of linen returned through misguided work practices.
- Established four-year agreements with three Queensland dental schools, including UQ, Griffith University and James Cook University to enable undergraduate and postgraduate students to undertake clinical work experience, and provide eligible public dental patients with free access to dental care.
- Evaluated *Hospital in the Home* services public-private partnerships, resulting in the development and implementation of a revised funding model and pricing schedule—representing competitive value for money for Queensland Health.

- Employed general practice liaison officers in Queensland's 20 largest public hospitals to:
 - address the service gap between primary and specialist outpatient care
 - improve access to specialist outpatient services by developing innovative and alternate treatment models
 - develop referral and discharge criteria.
- Extended service agreements with nine non-government organisations to provide domiciliary community nursing care until 30 June 2018.
- Commissioned the Royal Australasian College of Surgeons to perform the *Queensland audit of surgical mortality* to collect and analyse Queensland hospital surgical mortality data to identify trends in the quality of surgical care. There are 38 Queensland public hospitals and 37 private hospitals currently participating in the audit.
- Continued to progress the *Mental health capital works program* to contribute to the provision of recovery-focused and localised services for individuals and better healthcare for the community. In 2014–15, three community care units located in Redland Bay (containing 20 beds), Bundaberg (containing 20 beds) and Logan (containing 16 beds) commenced services.
- Partnerships with the Department of Communities, Child Safety and Disability Services and the Department of Housing and Public Works continue to support the transition of individuals to community-based accommodation and models of care. Queensland Health community care units provide an alternative contemporary service option for individuals relocating to their home community from The Park Centre for Mental Health in Wacol and Baillie Henderson Hospital in Toowoomba.

Strategy 4.3: Enable Hospital and Health Boards to transition appropriate cost-effective healthcare services to select non-government and private providers.

Key achievements 2014–15:

- The statewide *Ophthalmology outpatient waiting list reduction* was a one-off initiative that saw 8000 patients reviewed by an ophthalmologist or removed from the waiting list (no longer requiring treatment).

Strategy 4.4: Support the Hospital and Health Services, statutory agencies' and other organisations' compliance with governance requirements by providing information, resources and advice, as well as facilitating education and network forums for key officers.

Key achievements 2014–15:

- Managed flow of information between the department, other government departments and statutory bodies as well as incoming patient and customer feedback.
- Assisted the Minister and Director-General to perform executive government functions, including Cabinet, Executive Council and parliamentary services.
- Provided secretariat support for system level and departmental executive committees.
- Provided support and advice to the Director-General and Minister in relation to all health portfolio statutory agencies, including monitoring of key governance compliance requirements.
- Provided governance advice and support to all health portfolio statutory agencies, including a central point of contact for advice and guidance on application of whole-of-government policy and statutory obligations.
- Collaborated with government agencies in relation to whole-of-government processes, including statutory and significant appointments, remuneration and legislation.
- Partnered with the Department of Communities Child Safety and Disability Services, key HHS stakeholders and the Statewide Child Protection Clinical Partnership to revise and implement a number of resources, and jointly facilitated training for public health professionals to understand and respond to the legislative changes in relation to mandatory reporting of child physical and sexual abuse. The following initiatives were undertaken:
 - revision and republication of educational resources on the Queensland Health intranet and Child Safety webpages. These resources were also provided to private sector health services

- delivered information sessions to both public and private health sector on the child protection reform agenda
- provided jointly facilitated statewide train-the-trainer sessions to key clinicians in the HHSs regarding child protection legislation changes and reporting processes
- reviewed and republished the *Queensland Health child protection guidelines*
- developed a comprehensive communication and stakeholder engagement strategy on the Queensland child protection reform.
- Hosted the inaugural *Patient Safety....first and foremost* forum in Brisbane to allow clinicians and frontline managers to share lessons learned aimed at strengthening the culture of safety and quality in facilities across the state.
- Partnered with the department's Patient Safety Unit, 13 HEALTH (13 43 25 84) and Smart Services Queensland to deliver *Ryan's Rule* to help patients and families receive help when they are concerned about a patient in hospital who is getting worse or not improving. On average, there are one to two calls per day across approximately 10,000 public acute admissions with positive feedback regarding the service.

Strategy 4.5: Support Hospital and Health Boards to assume responsibility for both the employment of staff and ownership of land and facilities.

Key achievements 2014–15:

- Progressed the transfer of assets, as part of the *Lands and buildings transfer project*, with the 16 HHSs allocated to three tranches:
 - Tranche 1: Metro North, Metro South, Townsville—transfer effective 1 July 2014
 - Tranche 2: Cairns and Hinterland, Darling Downs, Gold Coast, Mackay, Sunshine Coast, West Moreton—transfer effective 1 December 2014
 - Tranche 3: Central Queensland, Central West, Children's Health Queensland, North West, South West, Wide Bay, Torres and Cape—transfer effective 1 July 2015.

- Eight HHSs were prescribed as employers through amendment of the Hospital and Health Boards Regulation 2012.
- Increased the number of human resource delegations to non-prescribed employer HHSs. Seven non-prescribed employer HHSs were granted delegations to administer more complex human resources issues.

Strategy 4.6: Promote innovative, continuously improving, robust and effective corporate governance systems and regulatory frameworks.

Key achievements 2014–15:

- Reviewed financial delegations with new expenditure delegations which came into effect November 2014 for 823 banded positions under a consolidated *Financial and procurement delegations framework*. The old frameworks were inconsistent and overly complicated, resulting in confusion, lack of accountability and bottlenecks in decision-making. The new framework established a 'banded' model and combined the former finance and procurement delegations. This approach reduced the number of combinations from 173 to eight delegation bands, and delivered a framework for staff that is easy to follow as it provides consistent delegations for staff at the same classification level, regardless of position. The delegations are reviewed each quarter to address changes in positions and identify process or business rules needing amendments.
- The *Action plan: regulatory reform for the Department of Health 2014–2015* identified a program of reforms to reduce the regulatory burden on government, business and the community. Significant reform initiatives include:
 - rural telehealth services providing rural and remote patients with audio and video-active linkages to communication with nurses, doctors and other specialists—reducing travel time and inconvenience
 - establishment of the Office of the Health Ombudsman on 1 July 2014 as the one-stop-shop in Queensland to deal with complaints in relation to health service providers

- implementation of a *Patient data to GP system* in all Queensland Health facilities providing electronic hospital admission data directly and securely to the general practitioners
- a faster and more efficient online licencing system is being developed to allow for application and payment of 30 different licence, permit and application types
- the *Online data submission initiative*—a system to allow licensed private health facilities to report on the collection and review of patient data, diagnosis and activity outcomes, perinatal data and provide quality assurance reports directly via the department’s website—is being developed to improve consistency and reduce time for completion and processing by the department.



Tan ban

Melanoma is caused by ultra-violet radiation exposure, either from the sun or a UV-emitting device such as a solarium.

Queensland has the highest rate of melanoma in Australia, which is why it’s good to see amendments to the *Radiation Safety Act 1999* banning the possession and commercial use of solariums across the state.

Incentive packages were offered to businesses who surrendered their solariums prior to 31 December 2014. As a result, 143 commercial solariums formerly operating in Queensland were closed down as at October 2013.

The department continues to promote the importance of sun safety and skin care, and the prevention of skin cancer, including the risks of artificial tanning.



Strategy 4.7: Provide information management, and information and communication technology governance and enterprise architecture to enable appropriate access to, management and sharing of patient information, corporate and health system data.

Key achievements 2014–15:

- Provided governance and guidance services on 18 ICT projects.
- Implemented the latest version of the statewide *Information system for oral health* with a new clinical record module that can provide electronic patient oral health records, eliminating the need for paper records in public dental clinics.
- Trialled the new clinical record module at the Ipswich Community Dental Clinic and following its success, it was implemented to clinics in the Wide Bay HHS. There is a commitment for further deployments across Queensland during the 2015–16 financial year.
- Completed two major enhancements to the CIMHA—the statewide electronic record system used by mental health services:
 - redeveloped the module used to record services provided to mental health consumers to improve useability and efficiency
 - developed a capability to display a subset of mental health information with *The Viewer* application. This can be accessed by other areas of Queensland Health, including emergency departments to enhance continuity of care.
- Implemented ieMR to an additional five HHSs, enabling clinicians and supporting staff to securely access a single, electronic view of a patient’s medical record. These releases have introduced new functionality to already existing functions in ieMR which include:
 - clinical data entry
 - clinician’s message centre
 - renal specialty system
 - radiology orders and results
 - emergency department information system interface
 - integration of *The Viewer* into the ieMR.

- Developed an *ICT governance framework* designed to guide the principles for ICT investment governance within Queensland Health. The framework outlines committee structures and assurance models aligned to whole-of-government ICT investment management processes and governing controls.
- Developed the *eHealth architecture vision*—an architectural approach to ICT that provides clinicians, consumers and health administrators with access to quality information, enabling better health outcomes across the state. It will guide ICT investment and serve as a basis for ongoing technology roadmapping and architectural standards development.
- Delivered a comprehensive view of co-designed ICT investment priorities across the health system. The *Digital Prospectus* details priority investments, including clinical systems, business systems, ICT infrastructure and the digital future of Queensland Health. This investment strategy will enable a more consistent standard of care, particularly in regional, rural and remote healthcare settings.

New viewpoint on mental health



Key information in the department's Consumer Integrated Mental Health Application (CIMHA) is now available via The Viewer—the statewide application that provides a web-based view of patient information from speciality and clinical systems across Queensland Health.

CIMHA provides healthcare professionals, including those in administrative roles, with timely access to key alert notifications, demographics and encounter history. Clinicians also have access to additional information such as clinical notes, mental health assessment, care plans and discharge summaries.

Accessing CIMHA via The Viewer gives Queensland Health clinicians a more comprehensive picture of a patient's clinical history, and to ensure patients receive the best possible care.

The CIMHA has demonstrated a capability to develop key solutions regarding mental health service delivery in Queensland.

Strategic objective 5—workforce

Cultivate an engaged, capable, innovative and efficient workforce.

Key performance indicators

- An appropriately planned and distributed health workforce (also refer to section *Our people*).

Key achievements 2014–15:

- Increased workforce planning capability through the continued rollout and in-house development of the WorkMAPP planning model. The development of the nursing performance scorecard was enhanced to enable the review of multiple interlinked datasets across the workforce focussing on sustainability, productivity, efficiency and quality metrics.
- Continued development of clinician leadership and management skills by delivering the *Clinician business development*, *medical leadership in action program*, the *Emerging clinical leaders program* and the *Step up programs* to more than 305 health clinicians.
- Collaborated with the Greater Northern Australia Regional Training Network to optimise the uptake of the Aboriginal and Torres Strait Islander health practitioner role in North Queensland.
- Implemented strategies to increase the uptake of new graduates into the health sector. Priority was given for nursing specialties where future workforce growth is required to sustain services and where significant numbers of nurses are close to retirement. Areas such as rural practice, primary healthcare and mental health were targeted. As at 30 June 2014, 846 graduate registered nurses (RN) were employed by Queensland Health hospitals to support succession planning strategies. In 2014, 109 graduate RNs were placed in rural facilities.
- The *Queensland rural generalist pathway* is a supported training pathway to a career in medical rural generalist medicine. The intake into this state-recognised medical discipline was greatly expanded from 37 in 2013 to 57 in 2015. Eighty trainees are offered entry for 2016.
- Developed workforce models that support expanded practice roles for clinicians around the state, particularly in nursing and allied health. Allied health practitioners, such as physiotherapists and social workers are now employed in primary contact roles in some emergency departments. Some hospitals have allied health professionals authorised and credentialed to prescribe, supply, obtain or administer medications as part of their scope of practice.
- Introduced new workforce models for rural and remote areas using telehealth, including 17 telehealth coordinator positions which have been created in hospitals around the state. The *Telehealth emergency management support service* was implemented in June 2014 at 36 facilities across South West, Central West, West Moreton Wide Bay, and Cape York HHSs. This includes five of the identified evaluation sites at Alpha, Eidsvold, Kowanyama, Moura and Roma.
- Returned maternity services to targeted rural communities. Beaudesert and Cooktown communities now have re-established birthing services and HHSs are evaluating prospects in other rural communities.
- Increased clinician input in workforce decision making through the Clinical Senate and Clinical Networks.

Strategy 5.1: Continue the cultural transformation of the department, which is underpinned by contemporary public sector values, to build a lean, dynamic, responsive and customer centric workforce.

Key achievements 2014–15:

- Implemented the *Indigenous employment and training policy* as part of the *Capital works asset management framework*.
- Redesigned a number of iLearn modules to provide an interactive learning environment for its 75,000 users and to support a highly-skilled, capable and sustainable workforce.
- Developed *Leader profiles* for supervisors, leaders and executives that identify the current and desired behaviours of leaders at all levels of the organisation, and implemented 360 degree surveys to assess leader behaviours.
- Introduced a new recruitment model—*Recruit for Fit*—to ensure the department attracts and assesses candidates in a way that better aligns with the department's success factors and public service values.

Strategy 5.2: Collaborate with Hospital and Health Services to develop a shared understanding of workforce capacity and capability frameworks required to deliver effective services across the sector.

Key achievements 2014–15:

- Funded and implemented 11 supernumerary graduate allied health rural generalist training positions within rural and remote health services. The initiative supported the development of a rural generalist workforce and service models for six allied health professions.
- Continued to deliver training and coordinate the statewide implementation of the *Calderdale framework*—a workforce redesign methodology. Twenty allied health professionals completed the *Calderdale framework* training program with each facilitating a workforce redesign process within their work unit.

- Commenced development of a *Medical workforce plan for Queensland* to align with state government and departmental strategic objectives to develop a sustainable medical workforce that meets the needs of Queenslanders. The plan will be developed in consultation with HHSs and specialist medical colleges.

Strategy 5.3: Lead the development of a high performing public health leadership capability that aligns with executive leadership profiles across both clinical and non-clinical areas.

Key achievements 2014–15:

- Continued to implement the *Leadership development strategy* with the rollout of 13 new development programs for executives, leaders and supervisors.
- Participated in industry best practise courses in project management methodologies, including *Managing successful programs* and *Agile*.
- Delivered 11 leadership and business development programs to develop the leadership skills and business acumen of the next generation of clinical and executive leaders to support innovative and sustainable healthcare services both now and into the future. Programs included:
 - *Medical leadership in action program*—two programs, 52 participants
 - *Emerging clinical leaders program*—four programs, 113 participants
 - *Step up leadership program*—two programs, 60 participants
 - *Clinician business development program*—three programs, 76 participants.
- Commenced the *Frontline management development program* to train supervisors and team leaders in the management of techniques and processes. This program improves communication, reduces workplace conflict and provides effective management in the environment of delivering complex services and products across Queensland Health and to external customers.
- Leaders and future leaders participated in the departmental leadership program to successfully manage organisational change, motivate and engage teams and individuals, and lead with authenticity. The program benefits included:

- support to embed *Leader Profiles*
- support to achieve individual performance targets
- harnessing of shared knowledge through access to content experts and peer networks
- coaching in pairs to assist the implementation of learning projects and tasks.
- Delivered (Queensland Ambulance Service) the *Classified officer development program* to develop the confidence and leadership capabilities of officers delivering frontline health services. During 2014–15, eight programs were delivered to 221 participants.

Strategy 5.4: Provide a simplified, relevant suite of human resource policies and processes that guide and support best practice human resource management in the health sector.

- Implemented the *Queensland rural generalist program* to encourage general physicians, intensive care, paediatrics and advanced general medicine to undertake vocational training. The program addresses issues of workforce distribution, particularly in rural and remote areas, and has increased the number and retention of rural generalists.
- Committed to sourcing a viable and permanent Professional Indemnity Insurance (PII) solution for eligible private practice midwives to provide women and their families with choice and access to the best maternity services:
 - partnered with the Australian College of Midwives to develop a midwifery practice scheme for private practice midwives
 - engaged insurance broker, JLT Australia, to prepare the information and profile approach to the insurance market and identify possible insurance products to provide PII for all private practice midwives.

Key achievements 2014–15:

- Reviewed and republished 23 human resource policies to increase clarity and consistency of application of employee entitlements and conditions.

Strategy 5.5: Lead statewide industrial relations reforms and provide the supporting infrastructure required for sustainable change and improvement.

Key achievements 2014–15:

- Developed a modern award—the *Health Practitioners and Dental Officers (Queensland Health) Award – State 2014*—for health practitioners and dental officers.
- Introduced changes to employment arrangements for senior medical staff in line with government policy.
- Contributed to the *National intern review* of medical intern training commissioned by the Council of Australian Governments Health Council. The review examined the current medical internship model and will consider potential reforms to support medical graduate transition into practice and further training.

Our service delivery statements

Table 1: Department of Health Performance Statement

| Service area: Queensland Health Corporate and Clinical Support | Notes | 2014-15 Target/est. | 2014-15 Actual |
|---|-------|---------------------|----------------|
| Percentage of capital infrastructure projects delivered on budget and within time and scope within a 5% unfavourable tolerance | 1 | 95.0% | 97.0% |
| Percentage of correct, on time pays | 2 | 98.5% | 99.1% |
| Percentage of calls to 13HEALTH answered within 20 seconds | 3 | 80.0% | 82.5% |
| Percentage of ICT availability for major enterprise applications: | | | |
| • Metro | | 99.8% | 99.95% |
| • Regional | | 95.7% | 99.91% |
| • Remote | | 92.0% | 99.71% |
| Percentage of all high level ICT incidents resolved within targets defined in the Service Catalogue | 5 | 80.0% | 91.0% |
| Percentage of initiatives with a status reported as critical (Red) | 6 | <20.0% | 11.4% |
| Percentage of formal reviews undertaken on Hospital and Health Service responses to significant negative variance in Variable Life Adjusted Displays and other National Safety and Quality indicators | | 100% | 100% |

Notes:

1. Although all projects were completed within scope, a small number of projects did not meet the time or budget tolerance.
2. This service standard represents a combination of the number of underpayment payroll enquiries received and the number of overpayments identified each fortnight divided by the number of employee pays processed, based on an average across the last six pay periods for the year of reporting.
3. Funding and human resources is calculated to achieve the performance indicator of 80% of calls answered in 20 seconds as this is internationally recognised as a suitable target/grade of service for health call centres.
4. This service standard measures continuity and availability of ICT services via the wide area network (WAN).
5. This service standard measures ICT incidents resolved within recommended timeframes.
6. This measure relates to all new initiatives and initiatives that are not yet fully operational. The 2014-15 Actual figure of 11.4% is based on actual reported critical (Red) status for July 2014 to June 2015. The Health Services Information Agency 1PMO continues to monitor performance status on a monthly basis.

Table 2: Acute Inpatient Care

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|--|-------|---------------------|----------------|
| Rate of healthcare associated <i>Staphylococcus aureus</i> (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days | 1 | <2.0 | 0.8 |
| Percentage of elective surgery patients treated within clinically recommended times: | 2 | | |
| • Category 1 (30 days) | | 100% | 98% |
| • Category 2 (90 days) | | 97% | 94% |
| • Category 3 (365 days) | | 98% | 97% |
| Median wait time for elective surgery (days): | 3 | | |
| • Category 1 (30 days) | | | 12 |
| • Category 2 (90 days) | | | 49 |
| • Category 3 (365 days) | | | 148 |
| • All categories | | 25 | 29 |
| Percentage of admitted patients discharged against medical advice: | 4 | | |
| • Non-Aboriginal and Torres Strait Islander patients | | 0.8% | 1.0% |
| • Aboriginal and Torres Strait Islander patients | | 1.4% | 3.4% |
| Percentage of babies born of low birth weight to: | 5 | | |
| • Non-Aboriginal and Torres Strait Islander mothers | | 4.0% | 4.9% |
| • Aboriginal and Torres Strait Islander mothers | | 8.4% | 9.0% |
| Average cost per weighted activity unit for Activity Based Funding facilities | 6 | \$4,613 | \$4,646 |
| Total weighted activity units – acute inpatient | 7 | 924,463 | 945,699 |

Notes:

1. *Staphylococcus aureus* are bacteria commonly found on around 30% of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with *Staphylococcus aureus* (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Est. for this measure aligns with the national benchmark of 2.0 cases per 10,000 acute public hospital patient days.
2. 2014-15 Actual performance is actual performance from 1 July 2014 - 30 June 2015. The 2014-15 Target/est. is set as the midway point between the calendar years.
3. A Target/est. is not included for categories 1-3 as there is no national benchmark for this measure.
4. The 2014-15 Actual figures are based on data for the period 1 July 2014 to 30 June 2015.
5. The 2014-15 Actual figures represent the latest available 2014-15 perinatal data within reporting databases as at 25 August 2015.
6. The determination of the cost per weighted activity unit (WAU) 2014-15 targets has been based on the revised Final Offers (V14) finance and activity schedules of the 2015-16 Service Agreements. 2014-15 actual cost per WAU has been determined based on ABF expenditure identified by cost centre applied percentages and activity reported as delivered or contracted from the private sector by the HHS. The activity does not include any private provider services of public activity contracted directly by the Department of Health. Queensland Health Consolidated Overall includes Mater Health Services. Central West, South West and Torres and Cape HHSs don't have any activity based funding facilities.
7. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 3: Outpatient Care

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|---|-------|---------------------|----------------|
| Percentage of specialist outpatients waiting within clinically recommended times: | 1 | | |
| • Category 1 (30 days) | | 48% | 61% |
| • Category 2 (90 days) | | 33% | 49% |
| • Category 3 (365 days) | | 90% | 70% |
| Total weighted activity units – Outpatients | 2 | 224,283 | 241,078 |

Notes:

1. 2014-15 Actual performance is actual performance as at 1 July 2015. There is no nationally agreed target for this measure.
2. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 4: Emergency Care

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|---|-------|---------------------|----------------|
| Percentage of emergency department attendances who depart within 4 hours of their arrival in the department | 1 | 86% | 77% |
| Percentage of emergency department patients seen within recommended timeframes: | 2 | | |
| • Category 1 (within 2 minutes) | | 100% | 100% |
| • Category 2 (within 10 minutes) | | 80% | 77% |
| • Category 3 (within 30 minutes) | | 75% | 63% |
| • Category 4 (within 60 minutes) | | 70% | 73% |
| • Category 5 (within 120 minutes) | | 70% | 91% |
| • All categories | | | 70% |
| Percentage of patients transferred off-stretcher within 30 minutes | 3 | 90% | 85.3% |
| Median wait time for treatment in emergency departments (minutes) | 4 | 20 | 20 |
| Total weighted activity units – Emergency Department | 5 | 224,031 | 234,044 |

Notes:

1. 2014-15 Actual performance is actual performance from 1 July 2014 to 30 June 2015. The 2014-15 Target/est. is set as the midway point between the calendar years. The target aligns with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
2. 2014-15 Actual performance is actual performance from 1 July 2014 - 30 June 2015. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All categories' as there is no national benchmark. The included triage category targets for 2014-15 are based on the Australasian Triage Scale (ATS). The 2014-15 Target/est. aligned with the National Emergency Access Target. In recent years, Queensland has seen an increase in emergency department presentations which has impacted the achievement of this target. Despite the increase seen in admissions, this measure has and continues to improve.
3. Major Queensland Health Reporting Hospitals. Off-stretcher time is defined as the time interval between the ambulance arriving at the emergency department and the patient transferred off the Queensland Ambulance Service stretcher.
4. 2014-15 Actual performance is actual performance from 1 July 2014 - 30 June 2015.
5. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 5: Sub and Non-Acute Care

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|---|-------|---------------------|----------------|
| Total weighted activity units – sub acute | 1 | 93,232 | 103,296 |

Notes:

1. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 6: Integrated Mental Health Services

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|--|-------|---------------------|----------------|
| Proportion of re-admissions to acute psychiatric care within 28 days of discharge | 2 | <12% | 13.4% |
| Rate of community follow up within 1 – 7 days following discharge from an acute mental health inpatient unit | | >60% | 65.4% |
| Percentage of the population receiving clinical mental healthcare | 3 | 1.8% - 2.0% | 2.0% |
| Ambulatory mental health service contact duration (hours) | 4 | >934,589 | 884,114 |
| Total weighted activity units – Mental Health | 5 | 140,842 | 134,204 |

Notes:

1. These Service Standards reflect the performance of the specialist integrated mental health sector only. Alcohol, Tobacco and Other Drug Services, and mental health related admitted patient activity in non-specialist beds is excluded.
2. Final data for 2014-15 is not yet available; as such this only includes separations up to 31 May 2015. Queensland has made significant progress in reducing readmission rates over the past 5 years, with continued incremental improvements towards the nationally recommended target.
3. The indicator provides a mechanism for monitoring population treatment rates and assesses these against what is known about distribution of a mental disorder in the community. This measure is also reported through the National Healthcare Agreement.
4. The 2014-15 Target/est. was set utilising a standard formula based upon available clinical staffing. Due to a range of issues including known under-reporting within clinical information systems which capture the data, most HHSs are not expected to meet the target for 2014 15. The 2015-16 Target/est. has been revised to take these issues into account.
5. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 7: Prevention, Primary and Community Care

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|--|-------|------------------------|-------------------|
| Percentage of the Queensland population who consume recommended amounts of: | 1 | | |
| • Fruits | | 56.6% | 58.3% |
| • Vegetables | | 9.2% | 9.2% |
| Percentage of the Queensland population who engaged in levels of physical activity for health benefit: | 2 | | |
| • Persons | | 64.0% | 59.5% |
| • Male | | 69.7% | 61.3% |
| • Female | | 58.2% | 57.8% |
| Percentage of the Queensland population who are overweight or obese: | 1 | | |
| • Persons | | 60.1% | 57.8% |
| • Male | | 67.2% | 63.3% |
| • Female | | 53.0% | 52.4% |
| Percentage of the Queensland population who consume alcohol at risky and high risk levels: | 3 | | |
| • Persons | | 11.4% | 18.9% |
| • Male | | 13.2% | 28.9% |
| • Female | | 9.5% | 9.2% |
| Percentage of the Queensland population who smoke daily: | 1 | | |
| • Persons | | 15.8% | 14.0% |
| • Male | | 17.1% | 16.2% |
| • Female | | 14.4% | 11.8% |
| Percentage of the Queensland population who were sunburnt in the last 12 months: | 4 | | |
| • Persons | | 53.0% | 54.3% |
| • Male | | 55.0% | 57.4% |
| • Female | | 50.9% | 51.4% |
| Annual notification rate of HIV infection | 5 | 5.0 | 5.3 |
| Vaccination rates at designated milestones for: | 6 | | |
| • All children 12-15 months | | 92.5% | 91.7% |
| • All children 24-27 months | | 92.5% | 90.2% |
| • All children 60-63 months | | 92.5% | 92.2% |
| Percentage of target population screened for: | 7 | | |
| • Breast cancer | | 58.0% | 57.6% |
| • Cervical cancer | | 57.2% | 56.0% |
| • Bowel cancer | | 33.9% | 35.5% |
| Percentage of invasive cancers detected through BreastScreen Queensland that are small (<15mm) in diameter | 8 | 57.0% | 59.4% |
| Ratio of potentially preventable hospitalisations - rate of Aboriginal and Torres Strait Islander hospitalisations to rate of non-Aboriginal and Torres Strait Islander hospitalisations | 9 | 1.7 | 2.0 |

Table 7: Prevention, Primary and Community Care (cont.)

| Health Consolidated | Notes | 2014-15 Target/est. | 2014-15 Actual |
|---|-------|---------------------|----------------|
| Percentage of women who, during their pregnancy were smoking after 20 weeks: | 10 | | |
| • Non-Aboriginal and Torres Strait Islander women | | 9.5% | 8.5% |
| • Aboriginal and Torres Strait Islander women | | 37.6% | 38.9% |
| Number of adult oral health weighted occasions of service (ages 16+) | 11 | 2,275,265 | 2,751,511 |
| Number of children and adolescent oral health weighted occasions of service (0-15 years) | 12 | 1,300,000 | 1,200,952 |
| Percentage of public general dental care patients waiting within the recommended timeframe of two years | | 95% | 100% |
| Percentage of oral health weighted occasions of service which are preventative | 13 | 15% | 13% |
| Number of rapid HIV tests performed | 14 | 1,500 | 3,407 |
| Total weighted activity units – Interventions and procedures | 15 | 139,852 | 133,530 |

Notes:

1. The 2014-15 Target/Estimate is derived from the time trend for this indicator since 2001. The 2014-15 Actual is from the 2014 self-report adult telephone survey.
2. The 2014-15 Target/Estimate is derived from the time trend for this indicator since 2004. The 2014-15 Actual is from the 2014 self-report adult telephone survey.
3. The 2014-15 Target/Estimate is derived from the time trend for this indicator since 2010. Risky drinking is defined as 'lifetime risk' from the 2009 National Health and Medical Research Council (NRMRC) safe drinking guidelines. The 2014-15 Actual is from the 2014 self-report adult telephone survey.
4. The 2014-15 Target/Estimate is derived from the time trend for this indicator since 2010. The 2014-15 Actual is from the 2014 self-report adult telephone survey.
5. The annual notification rate of HIV infection is a reflection of the number of notifications per 100,000 population. The 2014-15 Est. Actual is an estimate based on the number of first diagnoses of HIV in Queensland for the 2014 calendar year.
6. The definition of fully immunised at 24-27 months changed at 1 October 2014 (now includes 3 additional vaccines), resulting in a decreased coverage rate. Est/actual coverage data is rolling four quarters ending 30 June 2015.
7. The 2014-15 Target/est. relate to the following periods: 2012-13 biennial period breast cancer and cervical cancer; 2012-13 financial year bowel cancer (when people aged 50, 55, 60 and 65 years of age were invited to participate). The 2014-15 Actuals relate to the following periods: 2013-14 biennial period breast cancer and cervical cancer; 2013-14 financial year bowel cancer (when people aged 50, 55, 60 and 65 years of age were invited to participate).
8. The 2014-15 Target/est. and 2014-15 Actual relate to the 2013 calendar year.
9. The technical definition for potentially preventable hospitalisations (PPH) changed nationally from 14 January 2015. The 2014-15 Actual figure is based on the new definition, and relates to PPH data recorded between 1 July 2014 and 30 June 2015.
10. The 2014-15 Actual figures represent the latest available 2014-15 perinatal data within reporting databases as at 25 August 2015.
11. The 2014-15 Target/est. is based on funding allocated by the Department of Health to Hospital and Health Services (HHSs), including Commonwealth funding under the National Partnership Agreement for Treating More Public Dental Patients. The 2014-15 Actual is over target primarily due to Medicare payments claimed directly by HHSs under the Child Dental Benefits Schedule (CDBS) that were invested in additional adult dental services.
12. The 2014-15 Actual is below target in part due to the ongoing implementation of the Medicare Child Dental Benefits Schedule by HHS oral health services, which commenced on 1 January 2014.
13. Preventative treatment is reported according to item numbers recorded in each patient's clinical record. This measure includes procedures such as removal of plaque and calculus from teeth, application of fluoride to teeth, dietary advice, oral hygiene instruction, quit smoking advice, mouthguards and fissure sealants. All of these items are important to improve and maintain the health of teeth, gums and soft tissues within the mouth, and also have general health benefits.
14. The number of rapid HIV tests performed increased significantly above the predicted number in the 2014-15 Target/est. because of the roll out of this testing into the community sector where tests are largely performed by peers. This was part of an initiative funded by the Department of Health. The numbers in the community sector have increased almost four fold from the first quarter of the 2014-15 year to the third quarter. This rise is expected to stabilise at current levels and should be maintained at this higher level on the basis that the program and the demand for testing continues.
15. All Weighted Activity Units have been converted to the Activity Based Funding Model phase that applies to 2015-16. This phase is referred to as Q18. The Weighted Activity Unit targets are as per the original Final Offers (V13) finance and activity schedules of the 2015-16 Service Agreements. The Weighted Activity Unit actuals exclude public activity contracted directly by the Department of Health with private providers. Other exclusions include block funded services in 2014-15 that move into the Q18 Activity Based Funding QWAU Model in 2015-16.

Table 8: Ambulance Services

| Queensland Ambulance Service | Notes | 2014-15 Target/est. | 2014-15 Actual |
|--|-------|------------------------|-------------------|
| Time within which code 1 incidents are attended: | 1 | | |
| • 50th percentile response time | | 8.2 minutes | 8.3 minutes |
| • 90th percentile response time | | 16.5 minutes | 16.4 minutes |
| Percentage of Triple Zero (000) calls answered within 10 seconds | 2 | 90% | 91.2% |
| Percentage of non-urgent incidents attended to by the appointment time | 3 | >70% | 85.5% |
| Percentage of patients who report a clinically meaningful pain reduction | 4 | >85% | 88.7% |
| Patient satisfaction | 5 | New measure | New measure |
| Gross cost per incident | 6 | \$642 | \$629 |

Notes:

1. A code 1 incident is potentially life threatening necessitating the use of ambulance warning devices (lights and/or siren) en route. An incident is an event that results in one or more responses by the ambulance service. This measure reports the time within which 50% of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations. This measure reports the time within which 90% of the first responding ambulance resources arrive at the scene of an emergency in code 1 situations.
2. This measure reports the percentage of Triple Zero (000) calls answered by ambulance service communication centre staff in a time equal to or less than ten seconds.
3. An incident is an event that results in one or more responses by the ambulance service. This measure reports the proportion of medically authorised road transports (code 3) (excluding Queensland Health and aero-medical transports) which arrive on time for a designated appointment, or are met for returned transport within two hours of notification of completion of an appointment (code 4).
4. Clinically meaningful pain reduction is defined as a minimum two point reduction in pain score from first to final recorded measurement. Includes patients aged 16 years and over who received care from the ambulance service which included the administration of pain medication (analgesia). Includes patients where at least two pain scores (pre- and post-treatment) were recorded and, on a numeric rating scale of one to ten, the initial pain score was at least seven.
5. This is the total number of patients who were either 'satisfied' or 'very satisfied' with ambulance services they had received, divided by the total number of patients that responded to the National Patient Satisfaction Survey of the Council of Ambulance Authorities.
6. An incident is an event that results in one or more responses by the ambulance service.

Our governance

Government bodies

The following table outlines the annual reporting arrangements for government bodies in the health portfolio. For more information about each government body, including their achievements, please refer to their annual reports.

| Related entity | Legislation | Role | Reporting arrangements |
|--|--|---|---|
| Hospital and Health Services (16) | <i>Hospital and Health Boards Act 2011</i> | Hospital and Health Services (HHSs) are governed by independent Hospital and Health Boards (HHBs) responsible for the delivery of public hospital and health services. Each HHS is accountable, through the board chair, to the Minister for local performance, delivering local priorities and meeting national health standards. | Required to prepare their own annual reports, including independently audited financial statements. |
| Council of the QIMR Berghofer Medical Research Institute | <i>Queensland Institute of Medical Research Act 1945</i> | The council's role is to ensure the proper control and management of the institute, which was established for the purposes of conducting research into any branch or branches of medical science. | Required to prepare their own annual reports, including independently audited financial statements. |
| Office of the Health Ombudsman | <i>Health Ombudsman Act 2013</i> | <p>The office is Queensland's independent health complaints management agency, and single point of entry for complaints relating to registered and unregistered health practitioners, the public, and private and not-for-profit health service organisations.</p> <p>Its primary functions under the Act are to:</p> <ul style="list-style-type: none"> • receive and investigate complaints about health services and health service providers • decide what action should be taken and, in certain instances, take immediate action to protect the public • monitor the health, conduct and performance functions of the Australian Health Practitioner Regulation Agency and its national health practitioner boards • provide information about minimising and resolving health service complaints • report publicly on the performance of its functions. <p>The office was established on 1 July 2014 to replace the Health Quality Complaints Commission, which ceased operation on 30 June 2014. The work of the office is overseen by the Health Ombudsman.</p> | Required to prepare their own annual reports, including independently audited financial statements. |
| Hospital foundations (14) | <i>Hospitals Foundations Act 1982</i> | <p>Hospital foundations—constituted as statutory bodies under the Act—help their associated hospitals provide improved facilities, education opportunities for staff, research funding, and support the health and wellbeing of communities.</p> <p>They are administered by voluntary boards (except for the HIV Foundation Queensland, which is administered by a remunerated board) appointed by the Governor in Council on recommendation of the Minister.</p> <p>The HIV Foundation Queensland delivers HIV prevention, support and education services across the whole-of-population to increase awareness of HIV testing and treatment and to address HIV stigma and discrimination.</p> <p>To view the hospital foundations, visit www.health.qld.gov.au</p> | Required to prepare their own annual reports, including independently audited financial statements. |

| Related entity | Legislation | Role | Reporting arrangements |
|-------------------------------------|---|--|--|
| Queensland Mental Health Commission | <i>Queensland Mental Health Commission Act 2013</i> | <p>The commission seeks to improve the mental health and wellbeing of all Queenslanders, as well as minimise the impact of substance misuse in our communities, by:</p> <ul style="list-style-type: none"> • developing a whole-of-government strategic plan to integrate systems and improve services • monitoring, reviewing and reporting on issues affecting people with mental illness • promoting prevention, early intervention and community awareness strategies. <p>The work of the commission is overseen by the Queensland Mental Health Commissioner and is supported by a Queensland Mental Health and Drug Advisory Council.</p> | Required to prepare their own annual reports, including independently audited financial statements. |
| Mental Health Court | <i>Mental Health Act 2000</i> | <p>The court's primary role is to determine unsoundness of mind and fitness for trial of people facing criminal proceedings who are referred to the court. This ensures offenders with mental illness and intellectual disability are removed from the criminal justice system and the patient's welfare and protection of the community is managed by the health and disability sector.</p> <p>Constituted by a Supreme Court Judge and supported by two assisting psychiatrists, the court is the appeal body to the Mental Health Review Tribunal, another statutory agency established under the Act.</p> | Required to prepare their own annual reports, including independently audited financial statements. |
| Mental Health Review Tribunal | <i>Mental Health Act 2000</i> | <p>The tribunal's primary role is to protect the rights of people receiving involuntary treatment for mental illness. It provides an independent review, and makes decisions about whether involuntary treatment is required, and whether treatment will be given in hospital or in the community. In making these decisions, the tribunal must balance the rights of the patient with the rights of others and the protection of the community.</p> <p>The tribunal is comprised of a president and members, including lawyers, psychiatrists and other people with relevant qualifications and experience.</p> | Required to prepare their own annual reports, but financial transactions are included in the <i>Department of Health annual report 2014–15</i> . |
| Director of Mental Health | <i>Mental Health Act 2000</i> | <p>The director is a statutory office holder discharging a number of responsibilities under the Act. These include:</p> <ul style="list-style-type: none"> • authorising Queensland mental health services and practitioners • protecting the rights of involuntary patients • exercising powers in relation to people with mental illness who are, or have been, subject to criminal justice system processes. | Required to prepare their own annual reports, but financial transactions are included in the <i>Department of Health annual report 2014–15</i> . |
| Panels of assessors | <i>Health Ombudsman Act 2013</i> | <p>Under the Act, a range of public and professional panels are established to assist the Queensland Civil and Administrative Tribunal by providing expert advice to judicial members hearing disciplinary matters relating to healthcare practitioners.</p> <p>The tribunal deals with serious disciplinary matters which, if substantiated, may result in the cancellation or suspension of a practitioner's registration.</p> | The panels' financial transactions are not included in the <i>Department of Health annual report 2014–15</i> as their transactions are funded by the Australian Health Practitioner Regulation Agency. The panels' expenses are available via open data. |

| Related entity | Legislation | Role | Reporting arrangements |
|------------------------------------|----------------------------------|---|--|
| Professional conduct review panels | <i>Health Ombudsman Act 2013</i> | <p>Panels were established to conduct disciplinary proceedings for health practitioners registered with Queensland registration boards under the Act.</p> <p>All complaints and notifications received by a Queensland registration board prior to the commencement of the <i>Health Practitioner Regulation National Law Act 2009</i> on 1 July 2010 have been finalised pursuant to transitional arrangements. As such, the role of the Secretary to the Professional Conduct Review Panels ceased on 9 April 2015.</p> | The panels' financial transactions are included in the <i>Department of Health annual report 2014–15</i> . |
| Radiation Advisory Council | <i>Radiation Safety Act 1999</i> | <p>The council's role is to:</p> <ul style="list-style-type: none"> • examine and make recommendations to the Minister about the operation and application of the Act • propose amendments, radiation safety standards and issues on radiation • conduct research into radiation practices and transport of radioactive materials in Queensland. | The council is required to prepare their own annual report, but financial transactions are included in the <i>Department of Health annual report 2014–15</i> . |

Boards and committees

| Description | Total on-costs |
|---|--|
| <p>Commissioning Board</p> <p>The board provides advice to the Deputy Director-General, Health Commissioning Queensland, on commissioning strategies, market management and development, and performance enablement and delivery.</p> <p>Key achievements 2014–15:</p> <ul style="list-style-type: none"> • commenced in January 2015, replacing the Performance Management Executive Committee • governance oversight of \$30 million <i>HHS waiting list reduction strategy</i> (\$28.4 million allocated) • commissioning reviews—Gold Coast HHS, and rural and remote HHSs • market management—specialist services standing offer establishment and ophthalmology contract management • performance enablement—HHS performance oversight, non-government organisation contract baseline assessment, and <i>Surgery Connect</i> performance oversight. <p>Six board meetings were held in 2014–15.</p> | Non-remunerated advisory body |
| <p>Health Support Queensland Advisory Board</p> <p>The board was established on 1 August 2014 to provide advice to the Director-General on the provision of health support services to enable improved patient outcomes across the public health system.</p> <p>Key achievements 2014–15:</p> <ul style="list-style-type: none"> • contributed to the strategic direction and management of Health Support Queensland through the development of a strategic framework and strategy to action • assisted in the development of business improvement strategies and internal governance arrangements to support improved efficiency and benefits for Health Support Queensland's customers • endorsed Pathology Queensland's <i>Operational plan 2015–17</i>, including pricing strategy. <p>Six board meetings were held in 2014–15.</p> | <p>Expenditure totalled \$13,859.</p> <p>This included \$12,769 in total remuneration for members' fees.</p> |

| Description | Total on-costs |
|---|--|
| <p>Herston Health Precinct Redevelopment Taskforce</p> <p>The taskforce was established in July 2014 to provide advice to the Minister and Treasurer regarding the development and progression of the Registration of Interest and Expression of Interest process, led by Projects Queensland (Queensland Treasury) for the <i>Herston Quarter</i>.</p> <p>Key achievements 2014–15:</p> <ul style="list-style-type: none"> provided senior government and private sector expertise and guidance to the project team created focus on the review of success factors attributable to international health precincts promoted the establishment of a Herston Health Precinct governance body of senior site stakeholders to work together, develop and operate in a collaborative fashion assisted the government's work in partnering with the private sector to redevelop the Herston Quarter into a master planned integrated health and mixed-use precinct. <p>Ten taskforce meetings, including a site visit, were held in 2014–15.</p> | Non-remunerated advisory body. |
| <p>Progressive Autonomy Projects Board</p> <p>The board was established in July 2013 to oversee and govern HHSs becoming legal owner and manager of their land and building assets, and prescribed as employers.</p> <p>Key achievements 2014–15:</p> <ul style="list-style-type: none"> eight HHSs prescribed as employers effective 1 July 2014 seven non-prescribed employer HHSs provided with additional human resources delegations effective 20 August 2014 directed and risk managed the progressive transfer of the legal ownership of its real property assets to the 16 HHSs, timetabled at 1 July 2014 (three HHSs), 1 December 2014 (six HHSs) and 1 July 2015 (seven HHSs) ensured the alignment of the <i>Land and building transfer project</i> with Queensland Government's commitment to empowering local communities and the healthcare workforce to make decisions about local healthcare needs. <p>Seven board meetings were held in 2014–15.</p> | Non-remunerated advisory body. |
| <p>Patient Safety Board</p> <p>The board was established in 2013, under the <i>Hospital and Health Boards Act 2011</i>, to monitor the performance of HHSs pertaining to patient safety and take remedial action when patient safety performance does not meet the expected standard.</p> <p>Key achievements 2014–15:</p> <ul style="list-style-type: none"> monitored the performance of HHSs pertaining to patient safety initiated remedial action when patient safety performance of HHSs did not meet the expected standard. <p>Four board meetings were held in 2014–15.</p> | Expenditure for remuneration of consumer members only totalled \$1062. |
| <p>Ministerial Health Infrastructure Advisory Council</p> <p>The council's role was to ensure the uniform and robust treatment of potential new health infrastructure business opportunities involving the private and non-government sectors.</p> <p>The council's operations ceased upon expiry of members' terms of appointments on 16 December 2014.</p> | Non-remunerated advisory body. Expenditure totalled \$10,363. |

Public Sector Ethics Act 1994

Code of conduct

The *Code of Conduct for the Queensland Public Service* applies to all Queensland Health staff. The code is based on the four ethics principles prescribed in the *Public Sector Ethics Act 1994*:

- integrity and impartiality

- promoting the public good
- commitment to the system of government
- accountability and transparency.

To ensure staff receive appropriate education and training about public sector ethics, during 2014–15:

- 5878 Queensland Health employees, apart from Queensland Ambulance Service, completed online ethics integrity and accountability training.

The course focuses on the four ethics principles and ethical decision-making, and incorporates competencies relating to fraud, corruption and misconduct, and public interest disclosures

- 501 Queensland Ambulance Service employees completed online training covering the code of conduct and ethical decision-making
- 3910 departmental employees completed either face-to-face or online refresher code of conduct training. This training was launched by the Director-General in March 2015 as part of the department's commitment to providing a workplace free from any form of harassment and discrimination
- 153 staff completed the *Practical people management matters for health program*—as part of the *Leadership development strategy*. The program aims to:
 - ensure supervisors are aware of their people management responsibilities
 - emphasise the role leaders play in conducting themselves as positive role models and ensuring their staff conduct themselves in a manner consistent with the code of conduct.

Risk management

The department's *Risk management framework* provides the foundation and organisational arrangements for managing risk within the department. It aligns with the AS/NZS ISO 31000:2009 *Risk management – principles and guidelines*.

The framework aims to streamline and embed risk management to support the department in achieving its strategic and operational objectives through:

- proactive executive involvement
- assessment and response to risk across the whole department
- real-time analysis of risk exposures and meaningful reporting.

During 2014–15, the department:

- improved the risk management system for departmental and strategic health system matters
- reviewed and updated the risk management framework, *Risk Appetite Statement* and the fraud control framework
- increased its focus on risk management accountability, communication of risks, and

improved risk management and governance processes

- created and tested a crisis and continuity plan to improve disruption risks to the department, and the promotion of a new business continuity framework
- increased staff awareness of fraud-related issues, including line manager accountability, red flags, control and reporting measures via its annual *Fraud Awareness Month* initiative. This initiative compliments mandatory fraud awareness and code of conduct training.

Conduct Advisory Services

Conduct Advisory Services (CAS) is the department's central point for receiving, reporting and managing allegations of suspected corrupt conduct under the *Crime and Corruption Act 2001* and public interest disclosures under the *Public Interest Disclosures Act 2010*.

The unit enables the Director-General to fulfil a statutory obligation to report public interest disclosures to the Queensland Ombudsman and allegations of suspected corrupt conduct to the Crime and Corruption Commission. Allegations referred back to the department by the commission are managed or monitored by the unit.

The unit managed 52 complaints of corrupt conduct comprising 111 allegations, and reviewed and advised the department's executives and work units on a further 51 matters. A further six complaints were received and reviewed by the unit relating to HHS staff or were not within the department's jurisdiction. These were referred to the commission for consideration and necessary action.

In addition to managing investigations for the department, the unit provided 389 instances of advice to HHSs, the department's executives and work units regarding corrupt conduct and public interest disclosures.

1700 staff completed face-to-face ethical awareness, managing corrupt conduct and managing public interest disclosure training as part of the unit's focus on misconduct prevention by raising ethical awareness and promoting integrity. The unit's development and release of comprehensive public interest disclosure online training allows employees who work shift work or those who are remotely located to complete the required mandatory training.

External scrutiny

During 2014–15, the department was impacted by three Queensland Audit Office (QAO) performance reviews:

- *QAO Report No. 2 Hospital infrastructure projects*—five recommendations were raised and the department agreed to implement these.
- *QAO Report No. 3 Emergency department performance reporting*—four recommendations were raised and the department agreed to implement these.
- *QAO Report No. 5 Hospital and Health Service entities 2013–14*—three recommendations were raised and directed at HHSs in conjunction with the department.

All recommendations have been actively monitored by the Audit and Risk Committee, with the Internal Audit Unit maintaining the departmental record. The majority of recommendations have been implemented with those currently outstanding being actively managed by the responsible officers to ensure timely finalisation.

Audit and Risk Committee

The Audit and Risk Committee's primary role is to provide independent audit and risk management advice to the accountable officer, and to assist in the discharge of financial management responsibilities imposed under the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009.

The committee operates in accordance with its charter and Queensland Treasury's *Audit committee guidelines*.

| Members | Position |
|---------------------|--|
| Dr Michael Cleary | A/Director-General, Queensland Health (Chair) |
| Mr Len Scanlan | Independent member (Deputy Chair) |
| Mr Ken Brown | Independent member |
| Dr Judy Graves | Executive Director, Medical Services Royal Brisbane and Women's Hospital Metro North HHS |
| Ms Lisa Dalton | Independent member |
| Mr Chris Johnson | Independent member |
| Ms Annette McMullan | Chief Legal Counsel, Department of Health |
| Mr David Eeles | Deputy Commissioner, Queensland Ambulance Service |

During 2014–15, the committee met on eight occasions to oversee the:

- review and the robustness of the department's risk management framework
- performance of the Internal Audit function
- integrity of the *Chief finance officer assurance statement* and annual financial statements
- implementation of audit recommendations
- matters relating to corporate governance.

The committee also:

- endorsed the annual program of work for the internal audit function and the co-sourced arrangements for the delivery of this work
- assessed the progress of internal audit's work against the approved annual work program
- regularly reviewed progress in implementing various strategies around risk management, including deep dive evaluations into particular high-level risks facing the department
- undertook detailed analysis of the department's financial statements prior to providing their recommendation for approval
- regularly reviewed all matters raised by QAO specifically around financial and performance issues ensuring timely implementation of recommended actions.

Costs associated with independent committee members' fees totalled \$30,985.

Internal audit

The Internal Audit Unit provides independent, objective business assurance and advisory services to help improve the operations of the department.

It operates under the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009, and in accordance with its *Internal Audit Charter and Audit plan 2014–15* (which are endorsed by the Director-General, and the Audit and Risk Committee). The unit also has due regard to the Queensland Treasury's *Audit committee guidelines*.

The Director of Internal Audit is directly accountable to the Director-General for leading an effective and efficient internal audit function.

In 2014–15, the unit:

- reviewed its co-sourced delivery service model

- reviewed risk registers to identify and capture actions taken to address areas of concern
- engaged with senior executives to help inform its program of work for the 2015–16 financial year
- reviewed a number of business areas and provided recommendations to improve key governance processes and business practices
- provided advice and assistance on key projects and initiatives, including the *Digital hospital program board* and the *Integrated workforce management solution*
- monitored implementation of agreed audit recommendations
- developed the *Audit plan 2015–16*, which contains upcoming reviews as a result of undertaking a robust risk analysis process.

The unit plays an important role in improving operational processes and financial practices, by:

- identifying areas of non-compliance with legislation and prescribed requirements
- assisting in risk management and identifying risk improvement opportunities
- monitoring agreed actions to ensure they have been satisfactorily implemented
- assessing the effectiveness and efficiency of departmental financial and operating systems, reporting processes and activities.

Public sector renewal program

Land and buildings transfer

From 1 July 2015, the HHSs will have legal ownership of land and buildings. During 2014–15, the department worked closely with HHSs to assist in the transition and to ensure a sustainable model for service delivery, both within the department and to HHSs.

Business Improvement Office

The office assists the Minister and the Director-General to deliver business improvement initiatives and address complex issues facing the public health system.

The office collaborates with others to deliver high-quality outcomes that improve Queensland Health's strategic and system governance, major project portfolio capability, and the effectiveness of the Department of Health by encouraging the adoption of 'best practice' processes and the delivery of business strategies that enable organisational objectives to be achieved.

Business improvement comprises a range of multidisciplinary specialists and draws upon expertise within the department to implement and deliver organisational change and business improvement initiatives that are consistent with the strategic direction of the department, and supports the executive in delivering key business improvement programs under their sponsorship and leadership.

Information systems and recordkeeping

The department is committed to improving recordkeeping practices that adhere to the *Public Records Act 2002*, *Information Standard 40: Recordkeeping* and *Information Standard 31: Retention and Disposal of Public Records*.

The department has a dedicated records and information management team which provides strategic direction and operational support, including:

- registration of files in the departmental recordkeeping system
- creation of files for business areas
- advice and assistance to the department and HHSs.

During 2014–15, the department continued to progress toward compliance recordkeeping practices, by:

- providing two online training modules:
 - *Introduction to recordkeeping*
 - *Records management basics*
- introducing the *Electronic document and records management system* to the department's Legal and Governance Branch, with complete implementation across the department to occur in 2015–16.

Our people

Workforce profile

Queensland Health employed 75,172.22 full-time equivalent (FTE) staff at the end of 2014–15. Of these, 10,460.56 FTE staff were employed by and worked in the department, including 4028.50 FTE staff in the Queensland Ambulance Service.

The remaining 64,711.66 FTE staff were either:

- engaged directly by Hospital and Health Services (HHSs)
- employed by the department and contracted to HHSs under a service agreement between the Director-General and each HHS.

Approximately 37.78% of staff working in the department are managerial and clerical employees and 33.84% are ambulance operatives.

In 2014–15, the average fortnightly earnings for staff working in the department was \$3217.37 for females and \$4270.84 for males.

The department's separation rate for 2014–15 was 4.64% and describes the number of FTE permanent employees who separated during the year as a percentage of FTE permanent employees.

Table 9: Department of Health workforce profile—appointment type and gender

| 2014–15 FTE staff | Permanent | Temporary | Casual | Contract | Total |
|-------------------|-----------|-----------|--------|----------|-----------|
| Female | 4,357.16 | 930.68 | 38.86 | 89.33 | 5,416.03 |
| Male | 4,199.13 | 663.57 | 63.01 | 118.82 | 5,044.53 |
| Total | 8,556.29 | 1,594.25 | 101.87 | 208.15 | 10,460.56 |

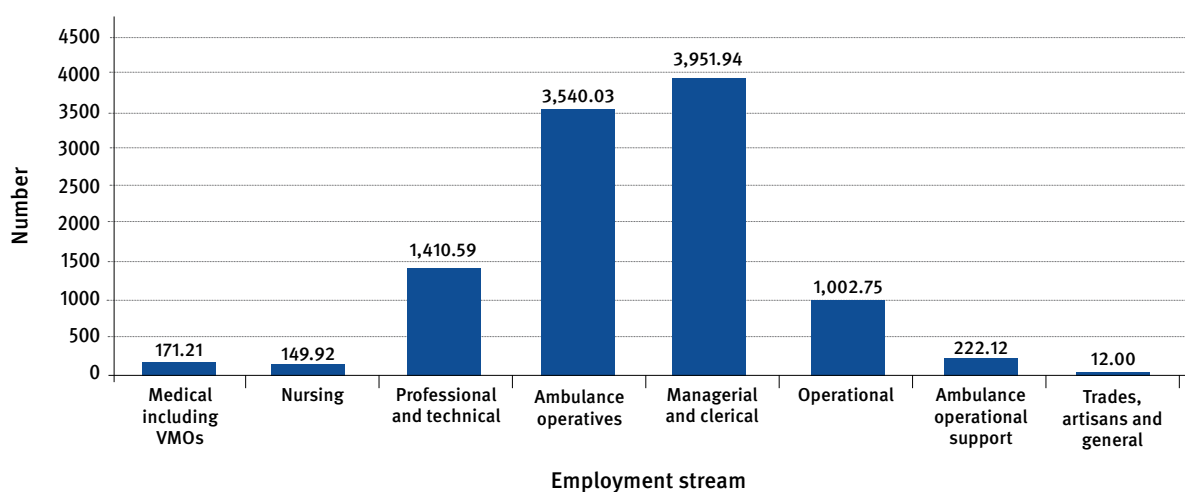


Figure 4: Department of Health workforce profile—employment stream

Recruitment services

Recruit for Fit

In 2014–15, a new recruitment model—*Recruit for Fit*—was introduced to ensure the department attracts and assesses candidates based on:

- organisational and role fit
- the department's success factors (communication, collaboration, change management, influencing, capability development, performance and innovation)
- public service values.

Under the new model, managers are provided with a single point of contact (centralised recruitment team) and receive ongoing assistance from a specialist throughout the recruitment lifecycle. During the financial year, 92 staff were employed under the new model.

e-Recruitment system

The department adopted enhanced capability of the e-Recruitment system—*Springboard*—to ensure online applications are simple and easy to submit. During the reporting period, the department made one executive and 91 non-executive offers of employment.

Pre-employment screening

Pre-employment screening processes for the department were further refined and streamlined, including system enhancements to support pre-employment criminal history checking. During 2014–15, the department undertook 2032 criminal history checks, four aged care checks and two corrective services checks. Eleven applicants were identified as potential risks and required further review regarding employment suitability.

Employee on-boarding

An on-boarding program was introduced to support all new department employees. This incorporated a new online learning module, intranet page with tools to support line managers, and employees and a one-day face-to-face orientation session delivered to new staff within the first month of their employment.

Fitting in with the team



A new recruitment model—*Recruit for Fit*—was implemented to attract and recruit the right talent based on role and organisation fit.

In December 2014, a project team was established to:

- design the recruitment model and supporting educational material
- create new Queensland Health intranet webpages
- enhance the e-Recruitment system—also known as *Springboard*
- facilitate hiring manager information sessions.

The new model has resulted in greatly reduced time between job applications and hire.

The department will continue to develop strategic recruitment services to meet future workforce needs, with *Recruit for Fit* as the foundation framework.



Employee opinion survey

The department participated in the whole-of-government 2014 *Working for Queensland* employee opinion survey, achieving an overall survey response of 55%.

The 2014 survey results:

- were used to measure effectiveness of workforce improvement strategies implemented in response to the 2013 survey results
- saw an increase across all measures (from the previous year) of workplace climate, including agency engagement, job engagement and job satisfaction

- identified organisational leadership, job empowerment, and learning and development as key drivers of employee engagement for the department.

Initiatives implemented to respond to the survey results include:

- further delivery of programs designed to enhance the skills of executives, leaders and supervisors as part of the *Leadership development strategy*
- development of leader profiles to articulate the behaviours expected of all leaders and enhance organisational leadership.

In April 2015, the department participated in the 2015 survey, achieving a response rate of 64%. Survey results will be available in July 2015 and will inform the development of initiatives aimed towards improving the workplace climate of the department.

Flexible work arrangements

The department values the contribution of workers with family responsibilities and is committed to supporting employees in achieving a work-life balance through a range of flexible working options and leave provisions, including:

- part-time work
- job sharing
- purchased leave
- special leave
- parental leave
- work and breastfeeding (including lactation) breaks
- carer's leave
- telecommuting
- flexible working hours.

The department has 1647 part-time employees and more than 86.75% of these are females.

Flexible work arrangements form part of the department's response to provide a supportive and safe workplace for employees affected by domestic and family violence. The expectation that requests for flexible work options from employees experiencing domestic violence are to be supported by managers has been included in associated policy and guidelines.

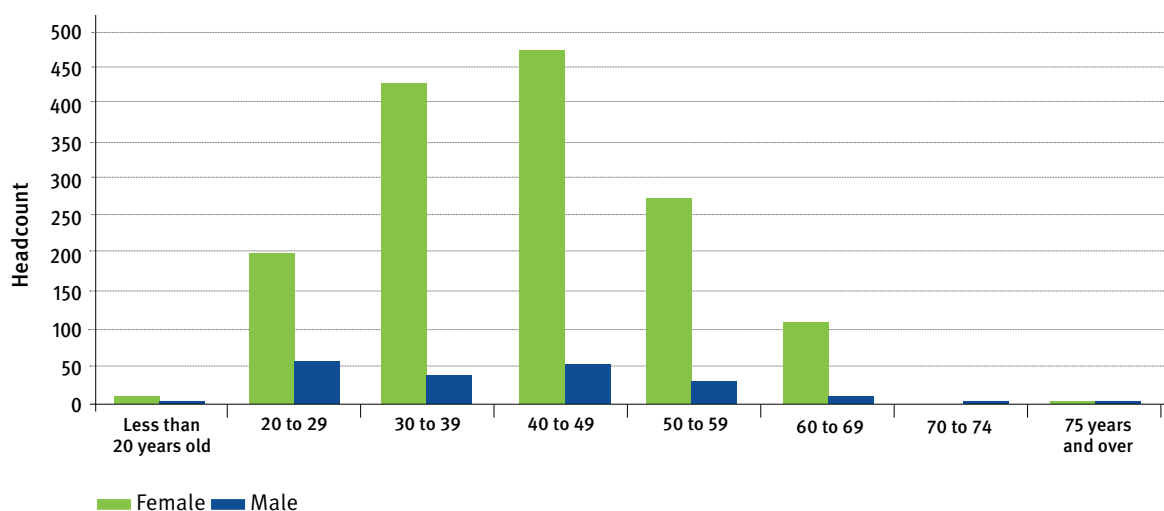


Figure 5: Department of Health part-time employment

Leadership development

Leadership development strategy

The department has continued to implement its *Leadership development strategy* to improve the leadership capability of executives, leaders and supervisors across the organisation.

The strategy responds to results from:

- the *Working for Queensland employee opinion survey* which identified leadership as a key driver of employee engagement and an opportunity for improvement
- a staff consultation process, aimed at improving organisational culture, which identified leadership capability as a key action item.

During the reporting period, the department implemented 13 new development programs for executives, leaders and supervisors, which focus on four key priority areas:

- performance management
- change management
- communication
- process improvement.

A multi-day core development program was also delivered to each leadership level, focusing on ensuring a strong foundation of leadership skills across the department.

A total of 104 executives, 476 leaders and 730 supervisors from the department accessed at least one development opportunity under the strategy in 2014–15, and 92% agreed or strongly agreed the content delivered was practical and relevant.

Leader profiles

The department developed *Leader profiles* for supervisors, leaders and executives that identify current and desired behaviours of leaders at all levels within the organisation. The profiles were customised for the department and were used as tools to define, understand and drive leader performance. The profiles were launched in December 2014 and were implemented across the department, with 360 degree surveys rolled out in January 2015 to assess leader behaviours.

Diversity and inclusion

The department has a renewed commitment to promoting and applying the principles and values of diversity and inclusion across its workforce and management practices. Diversity and inclusion recognises and values the diversity that exists within our workforce and workplaces and provides an inclusive environment, where:

- people are attracted to work
- employees can perform to the best of their capabilities
- all employees are treated fairly and respectfully.

The *Queensland public sector inclusion champions of change* group was formed to build more constructive and inclusive workplaces, with directors-general from participating agencies, including the department, committed to leading diversity and inclusion in the public sector.

The department has developed and implemented local strategies, including the:

- establishment of a *Department of Health Women's Network*—a pathway for inspiration, change and equality—to inform and support the department to progress towards a more inclusive workplace. The *Women's Network Steering Committee* will oversee the network's activities, and:
 - identify barriers and challenges women experience when endeavouring to progress into more senior roles
 - provide advice to the department on steps that may improve organisational leadership, recruitment, work and family, and advocacy to embed diversity and inclusion into the workplace
 - convene and promote networking and development opportunities for aspiring women leaders, including but not limited to forums, lectures, workshops and mentoring
 - provide development program opportunities to all classification levels across the department
 - establish sub-committees to coordinate specific initiatives.
- inaugural *Aspiring Women Leaders' Summit* which was held on 13 May 2015. The summit provided a platform for inspiration, strategies and practical skills for aspiring women leaders. It brought together a number of world class female and male executives to present on their experiences addressing gender imbalance, as well

as identifying the barriers and challenges faced by women in the department. More than 520 people attended the summit with survey results indicating an average overall satisfaction rating of 9 out of 10.

- *Aspiring Women Leaders' pre-summit workshop* which was held for senior leaders to discuss the barriers and challenges faced by women aspiring to senior leadership positions, and to receive tools, tips and tricks to assist with career progression.

Prescribed employer

Through amendment of the Hospital and Health Boards Regulation 2012, eight HHSs were prescribed as employers, effective 1 July 2014. This is a key milestone in transforming our health system by providing increased local decision-making and accountability for HHSs.

The *Hospital and Health Boards Act 2011* provides for the Director-General to be responsible for statewide employment and industrial relations. The Director-General remains responsible for setting the terms and conditions of employment for all Queensland Health employees, including remuneration and classification structures, and negotiating enterprise agreements. This ensures equitable pay and consistent conditions for the health workforce and supports seamless mobility of employees across the health system. Employment terms and conditions including pay, superannuation and fringe benefits tax remain unchanged.

Directives

Under the *Hospital and Health Boards Act 2011*, the Director-General may issue health employment directives about the conditions of employment for health service employees.

A health employment directive was issued to facilitate senior medical officer participation in private practice for an interim period from 1 July 2014 until the revised senior medical staff employment and private practice frameworks were implemented from August 2014.

Two health employment directives remained in place throughout 2014–15 outlining the employment framework and terms and conditions for senior medical staff.

Review of human resource policies

A review of human resource policies, in consultation with key stakeholders, continued throughout 2014–15 with a further 23 policies reviewed and republished to increase clarity and consistency of application of employee entitlements and conditions.

Industrial relations framework

The department embarked on a number of industrial relations activities, relating to organisational change, modernisation of industrial awards and the introduction of new employment conditions.

From 1 July 2014, eight HHSs became prescribed as employers in their own right. This changed the dynamic for consultative arrangements across Queensland Health from a central to a devolved model. Significant support and guidance continues to be provided to those HHSs to ensure strong and positive relations are maintained with unions to support the delivery of health services to Queenslanders.

The department engaged with unions to support the Queensland Industrial Relations Commission (QIRC) in the modernisation of awards covering Queensland Health employees. A modern award—the *Health Practitioners and Dental Officers (Queensland Health) Award – State 2014*—was made for health practitioners and dental officers in recognition of the specialised nature of the work performed by these employees.

Changes to employment arrangements for senior medical staff were made in line with government policy. Planning and negotiations also commenced during 2014–15 for replacement certified agreements for health practitioners and dental officers, and medical staff.

Amendments to the *Industrial Relations Act 1999* introduced in Parliament in May 2015:

- paved the way for a return to collective bargaining arrangements for senior medical staff
- provided access to the QIRC for industrial matters which was not previously available
- removed the concept of high income guarantee contracts for senior medical staff.

Building a sustainable medical workforce

The department is responsible for numerous programs which support the development of a sustainable medical workforce for Queensland, including the annual statewide recruitment campaigns for interns and resident medical officers to enable efficient recruitment by HHSs.

A total of 705 interns and 4346 resident medical officers were appointed to positions for 2015. The number of resident medical officer positions increased by 121 in 2015 (4225 in 2014). While intern positions in 2015 remained at the same level as the 2014 clinical year, 57 international students of Queensland medical schools were selected to an intern position (36 in 2014).

In addition, the department supported networked vocational training pathways for intensive care, adult medicine, paediatrics and child health, geriatric medicine, and palliative medicine. The vocational training pathways are statewide initiatives designed to:

- improve capacity and quality of training
- provide a fair and transparent approach to the selection and allocation of trainees to hospital
- provide efficiency in recruitment, selection and allocation processes
- support and promote the provision of effective and equitable educational and training activities.

Each pathway provides centralised oversight of the selection of trainees and defined hospital and term placements in order to meet individual training requirements determined by the relevant college.

International medical graduates

The department provided information, programs and support for international medical graduates (IMGs) who were employed by HHSs, and staff that assist doctors to progress through the Australian Medical Council examination process. The department also assisted IMGs to integrate into professional practice in Queensland by upskilling their English language, communication skills, and cultural appropriateness suitable for professional practice in Australia.

The department acknowledges the valuable contribution the international medical workforce provides to Queenslanders.

Early retirement, redundancy and retrenchment

During 2014–15, nine employees working for the department received redundancy packages. Employees who did not accept an offer of redundancy were offered case management for a set period of time, where reasonable attempts were made to find alternative employment placements. At the conclusion of this period, and where it was deemed that continued attempts of ongoing placement were no longer appropriate, employees yet to be placed were terminated and paid a retrenchment package. During the period, one employee received a retrenchment package. The total cost of redundancy and retrenchment packages was \$601,698.89.

The government has now released its job security policy which includes no forced redundancies and a commitment to a government workforce.

Our major audits and reviews

Committee rationalisation

The *Committee rationalisation process* was established to reduce red tape and improve the system governance framework for the department and broader health system under the devolved structure. To reduce decision-making complexity, this process reviewed existing departmental committees, assessed their overall purpose, role, effectiveness and alignment with the department's strategic direction. As a result, approximately 90 committees have been decommissioned with a further 50 under review or in progress of closure.

Future state alignment project

The project examined the department's efficiency and effectiveness under the operational environment set out in the *Health and Hospital Boards Act 2011*. A review of departmental activities was undertaken, including key functional relationships that exist between the department and the HHSs; as well as inefficiencies at a health system level, including system-wide governance and risk. The draft report informed some of the key findings of the *Hunter Review*.

Review of Department of Health performance data (KPMG)

An audit across the department and a sample of HHSs examined the data used to manage the health system as well as the processes to collect and report data, both internally and to the public. Following the KPMG review, the Office of Data integrity was established as the single point of accountability for data within the department. The office was tasked with considering the recommendations of the review and to further develop the governance, reporting, management and accuracy of key performance information.

Policy rationalisation

As part of the *Policy rationalisation project*, a streamlined and consistent policy framework, including a new governance model, was developed. The model caters for three types of documents—policies, standards and guidelines—with one consistent definition and template applied to each type. The project concluded 30 June 2015, resulting in a 30% reduction in departmental policies. Further policy reduction is under review and is due for completion by 31 December 2015, including all human resource policies.

Patient safety review

The department was asked to undertake a review on how it fulfils its patient safety and quality responsibilities. Outcomes of the review will be used to inform Queensland Health's future strategy for patient safety and quality. The *Terms of Reference* was signed by the Director-General in 2014–15. As at 30 June 2015, the review was on hold, pending the *Hunter Review* outcomes.

Hunter Review

The Department of Health engaged an independent reviewer, Ms Rachel Hunter, to provide advice on its organisational structures, governance arrangements and capability. The review was conducted in an open and consultative manner that provided key stakeholders with the opportunity to provide feedback. The final report, including recommendations for change, was delivered in June 2015.

Mental Health Alcohol and Other Drugs Branch time and motion study

During 2014–15, Bushell and Cornish Consultancy was commissioned by the department to conduct a time and motion study for community mental health services. The study aimed to provide greater transparency of mental health clinician activities and facilitate the identification of issues that may be compromising entry of clinically-related activity data.

The study has resulted in enhancements to the way clinical activity data is recorded in the *Consumer integrated mental health application*, with further enhancements planned for future releases. A summary of findings from the study has been disseminated to all HHSs to influence local service delivery planning and quality improvement activities.

Review of the *Mental Health Act 2000*

The review of the *Mental Health Act 2000*—which commenced in June 2013—identified a range of opportunities to improve the mental health legislative scheme in Queensland to ensure its currency with clinical practice, human rights principles and legislative drafting practices.

In 2014, the Queensland Government released a discussion paper for a two-month public consultation. More than 120 submissions were received. As a result, the *Mental Health Bill 2014* was introduced into Parliament in November 2014, however the Bill lapsed with the calling of the general election.

In 2015, the Queensland Government released a *Consultation draft of the Mental Health Bill 2015* for a two-month (May–June) public consultation. This provided the community with the opportunity to comment on the draft legislation prior to its introduction into Parliament.

BreastScreen Queensland reading and reporting processes

An external assurance review of BreastScreen Queensland's (BSQ) reading and reporting processes was undertaken in 2014, with a focus on the program's escalation, resolution and remediation processes.

A report and action plan based on the review's recommendations was noted by the department and distributed to:

- BreastScreen Australia
- BreastScreen Australia National Quality Management Committee
- BreastScreen Queensland Quality Management Committee
- BreastScreen Queensland Services.

An externally validated change to the system was implemented and supported by enhanced user information. In addition, a multidisciplinary clinical BSQ Quality Management Committee was re-established to oversee ongoing quality improvement directions and measures of the *BSQ program* informed by the report.

Queensland Health Pap Smear Register reminder and follow-up functions

During 2014–15, an external assurance review of the Queensland Health Pap Smear Register's reminder and follow-up letter functions was undertaken, following the identification of a coding error. The review confirmed that clients impacted had been identified and the escalation process used was appropriate.

Department of Health review of clinical registries report

During 2014–15, an external review was undertaken of the future delivery model for state based clinical registries, including:

- Queensland Health Pap Smear Register
- BreastScreen Queensland Registry
- vaccination information and vaccination administration system
- participant follow-up function provided by Queensland as part of the *National bowel cancer screening program*.

The department received a final report and an action plan was developed.

Our legislation

The department functions and authority is derived from administering the following Acts of Parliament, in accordance with *Administrative Arrangements Order (No.1) 2015*.

Our Director-General, on behalf of our Minister, is responsible for administering these Acts.

Table 10: Acts and subordinate legislation

| Schedule 1A: Portfolio legislation—Department of Health | |
|--|--|
| <i>Ambulance Service Act 1991</i> | Ambulance Service Regulation 2003 |
| <i>Food Act 2006</i> | Food Regulation 2006 |
| <i>Health Act 1937</i> | Health Regulation 1996 Health (Drugs And Poisons) Regulation 1996 |
| <i>Health Practitioners (Special Events Exemption) Act 1998</i> | Health Practitioners (Special Events Exemption) Regulation 2009 |
| <i>Hospital and Health Boards Act (Qld) 2011</i> | Hospital and Health Boards Regulation 2012 |
| <i>Mater Public Health Services Act 2008</i> | |
| <i>Mental Health Act 2000</i> | Mental Health Regulation 2002 |
| <i>Pest Management Act 2001</i> | Pest Management Regulation 2003 |
| <i>Pharmacy Business Ownership Act 2001</i> | |
| <i>Private Health Facilities Act 1999</i> | Private Health Facilities Regulation 2000 Private Health Facilities (Standards) Notice 2000 |
| <i>Public Health Act 2005</i> | Public Health Regulation 2005 |
| <i>Public Health (Infection Control for Personal Appearance Services) Act 2003</i> | Public Health (Infection Control for Personal Appearance Services) Regulation 2013 Public Health (Infection Control for Personal Appearance Services) (Infection Control Guideline) Notice 2013 |
| <i>Radiation Safety Act 1999</i> | Radiation Safety Regulation 2010 Radiation Safety (Radiation Safety Standards) Notice 2010 |
| <i>Research Involving Human Embryos and Prohibition of Human Cloning for Reproduction Act 2003</i> | Research Involving Human Embryos and Prohibition of Human Cloning for Reproduction Regulation 2003 |
| <i>Tobacco and Other Smoking Products Act 1998</i> | Tobacco and Other Smoking Products Regulation 2010 |
| <i>Transplantation and Anatomy Act 1979</i> | Transplantation and Anatomy Regulation 2004 |
| <i>Water Fluoridation Act 2008</i> | Water Fluoridation Regulation 2008 |

| Schedule 1B: Portfolio legislation—monitored agencies | |
|--|---|
| Legislation | Custodian |
| <i>Health Ombudsman Act 2013</i> | Health Ombudsman, Queensland |
| <i>Health Practitioner Regulation National Law Act 2009</i> <i>Health Practitioner Regulation National Law Regulation (Queensland) Act 1999</i> Health Practitioner Regulation National Law Regulation <i>Health Practitioners (Disciplinary Proceedings) Act 1999</i> Health Practitioners (Professional Standards) Regulation 2010 | Chief Executive Officer, Australian Health Practitioner Regulation Agency |
| <i>Health Quality And Complaints Commission Act 2006</i> | Chief Executive Officer, Health Quality and Complaints Commission |
| <i>Hospitals Foundations Act 1982</i> Hospitals Foundations Regulation 2005 | Chairperson, Hospital Foundation Boards |
| <i>Queensland Institute of Medical Research Act 1945</i> | Executive Officer, Queensland Institute of Medical Research |
| Mental Health Review Tribunal Rule 2009, established under the <i>Mental Health Act 2000</i> | President, Mental Health Tribunal |

Australian Government agreements

The table below provides a summary of key achievements in 2014–15 delivered by the department, and Hospital and Health Services (HHSs) under National Partnership Agreements (NPAs) with the Australian Government.

This is not an exhaustive list of all past and present agreements. For detailed information, visit www.federalfinancialrelations.gov.au/content/npa/health_reform.aspx

Table 11: National partnership agreements

| Agreement | Key achievements in 2014–15 |
|------------------------------------|--|
| Improving public hospital services | Expansion of the Logan Hospital's emergency department (completed September 2014). |
| | Cairns elective surgery (completed December 2014). |
| | Queensland's commitment to the delivery and operation of 265 subacute beds and bed alternatives. Bed and bed alternatives are being delivered as per the <i>NPA on improving public hospital services implementation plan</i> . |
| | Cairns Community Care Unit (completed December 2014). |
| | Logan subacute beds and rehab (completed September 2014). |
| | Rockhampton subacute beds (completed May 2015). |
| Health infrastructure | Townsville subacute beds (completed October 2014). |
| | Townsville Hospital <ul style="list-style-type: none"> Expansion to existing clinical block (south block) which includes new operating theatres and upgrade of supporting infrastructure (forecast completion May 2016). |
| | Rockhampton Hospital <ul style="list-style-type: none"> New seven storey ward block (completed May 2015). Expansion to existing operating theatre suite and new operating theatres, new clinical block and upgrade of supporting infrastructure (forecast completion June 2016). |
| | Regional Cancer Care Centres <ul style="list-style-type: none"> Rockhampton (completed May 2015). Bundaberg (forecast completion July 2015). Hervey Bay (completed June 2015). Townsville (completed March 2015). |
| | Regional priority round 2011 <ul style="list-style-type: none"> Townsville Hospital construction and fit-out of new planned procedure centre (forecast completion February 2016). Nambour Community Care Unit (completed June 2015). Bundaberg Community Care Unit (completed December 2014). Rockhampton Community Care Unit (completed May 2015). Toowoomba Community Care Unit (completed November 2014). Kowanyama staff accommodation (forecast completion June 2016). |
| | |

Table 11: National partnership agreements (cont.)

| Agreement | Key achievements in 2014–15 |
|---|---|
| Health services OzFoodNet | <p>Collected, analysed and reported on epidemiological data on 321 gastroenteritis outbreaks in Queensland in 2014–15. Forty (12%) of these were foodborne. The most common pathogen associated with outbreaks was norovirus.</p> <p>An event of statewide significance was declared by the Queensland Chief Health Officer in 2014 following elevated levels of the most common notifiable pathogens—Salmonella and Campylobacter—in Queensland. OzFoodNet provided ongoing epidemiological support as part of a wider incident response team to assist with the management of these pathogens.</p> <p>Contributed enhanced epidemiological surveillance during an outbreak of Salmonella associated with a School Principals' Conference held at the Brisbane Convention and Exhibition Centre in February 2015, involving 258 reported cases of illness (58 laboratory confirmed).</p> |
| Health services Torres Strait— <i>Aedes albopictus</i> prevention and control in the Torres Strait program | <p>The Technical Advisory Group met regularly to review and revise plans to control <i>Aedes albopictus</i> and prevent incursion onto mainland Australia.</p> <p>Regular surveillance and control activities were conducted throughout dry and wet seasons.</p> <p>Surveys conducted in December 2014 and February 2015 found no detections of <i>Aedes albopictus</i>, but did find increasing detections of <i>Aedes aegypti</i> (another dengue vector).</p> <p>New agreement 2014–17 in final stages of sign off by Queensland Health and the Australian Government.</p> |
| Health services— vaccine preventable disease surveillance | <p>Continued surveillance and reporting of nationally notifiable vaccine preventable diseases.</p> <p>Currently in the third year of a four-year agreement.</p> |
| Hospital and health reform | <p>Taking pressure off public hospitals</p> <ul style="list-style-type: none"> Expansion of the Logan Hospital's emergency department (completed September 2014). |
| Supporting national mental health reform | <p>Long term social housing and support services</p> <ul style="list-style-type: none"> A total of 67 places were provided within the reporting period under the <i>Housing and support program</i>. <p>Transitional recovery service – Mackay</p> <ul style="list-style-type: none"> An additional three residential recovery places were achieved for the Mackay transitional recovery, bringing the total residential places available up to six. <p>Brokered lease housing</p> <ul style="list-style-type: none"> A total of 12 brokered head-leased housing to ensure consumers, who are ready to move from supported accommodation to independent community living, have housing options available through the private rental market accessed via the <i>Community rent scheme</i>. <p>Personalised support services</p> <ul style="list-style-type: none"> 57 personalised support service (PSS) places were available during the reporting period. Procurement processes have commenced to ensure delivery of additional PSS places in 2015–16. |
| Essential vaccines | <p>The NPA contains four performance benchmarks (PB) relating to the <i>National immunisation program</i>, these are:</p> <ul style="list-style-type: none"> PB1: maintain or increase vaccine coverage for Indigenous Australians PB2: maintain or increase coverage in agreed areas of low immunisation coverage PB3: maintain or decrease vaccine wastage and leakage PB4: maintain or increase vaccination coverage for four year olds. <p>To receive reward payments, Queensland must meet two of the four PBs.</p> <p>In 2014–15, Queensland met three of the four PBs (PB1, PB3 and PB4) and will receive reward payments, accordingly. Queensland is not eligible to be assessed against PB2, as Queensland does not have areas that meet the NPA's definition of 'low coverage'.</p> |

Table 11: National partnership agreements (cont.)

| Agreement | Key achievements in 2014–15 |
|--|---|
| Project agreement for Indigenous teenage sexual and reproductive health and young parent support | <p>Provided:</p> <ul style="list-style-type: none"> • screening and treatment of sexually transmissible infections • education services and programs • antenatal care for young mothers • early intervention strategies for young Indigenous families expecting a baby or with young children • improved linkage activities and service pathways relating to services for young Indigenous people. |
| National bowel cancer screening program—participant follow-up function | <p>From 1 March 2014 to 28 February 2015, 4359 Queensland participants required follow-ups. Of these, 82% (3565) were referred for a colonoscopy.</p> <p>Extension of agreement to June 2018 is under negotiation.</p> |
| Treating more public dental patients | <p>Maintained no patients waiting longer than the recommended waiting time of two years for a dental check-up.</p> <p>Performance milestones at 31 December 2014 and 31 March 2015 were achieved.</p> <p><i>Queensland implementation plan</i> available at www.federalfinancialrelations.gov.au/content/npa/health_service/public_dental/QLD_dental_patients.pdf.</p> |
| Expansion of BreastScreen Australia program | <p>Variation to the agreement, extending the <i>BreastScreen program</i> to include women aged 70–74 years, was signed by the Queensland Minister for Health and Minister for Ambulance Services on 25 June 2015.</p> |
| Children's Hospital Queensland | <p>Hummingbird House Children's Hospice (as per Federal Election 2014)</p> <ul style="list-style-type: none"> • A capital agreement is in place with Wesley Mission to build the hospice. • Construction commenced using privately raised funds, with State and Commonwealth contributions to occur in 2015–16. |

Appendix

Mandatory reporting of confidential information released in the public interest

Section 81 of the *Public Health Act 2005* requires that where confidential information contained in the Notifiable Conditions Register is released in the public interest under this section, it is a requirement that it is reported in the department's annual report. Specifically, the annual report must include details of:

- the nature of any confidential information disclosed under subsection (1) during the financial year; and
- the purpose for which the confidential information was disclosed.

The following confidential information was released from the *Notifiable Conditions System* (NoCS) in the public interest:

- Confidential information was disclosed to the media in the public interest to:
 - to prevent or minimise the transmission of Hepatitis A
 - identify persons who may have contracted, or may have been at risk of contracting Hepatitis A as a result of consuming food at a food business that had an employee who prepared food and drink while infectious with the notifiable condition, Hepatitis A.

- Confidential HIV/AIDS notification data (with onset dates between 1 January 2014 and 31 December 2014) was disclosed to the Kirby Institute for infection and immunity in society, University of New South Wales. This was provided in the public interest to:
 - raise awareness regarding HIV
 - describe and inform public health action including the development of strategies to prevent or minimise the transmission of the condition
 - monitor the incidence and patterns of HIV/AIDS via the development and publication of national reports by the Kirby Institute that analyse HIV/AIDS notifications data.

Glossary of terms

| | |
|---|---|
| Accessible | Accessible healthcare is characterised by the ability of people to obtain appropriate healthcare at the right place and right time, irrespective of income, cultural background or geography. |
| Acute | Having a short and relatively severe course. |
| Acute care | Care in which the clinical intent or treatment goal is to: <ul style="list-style-type: none"> • manage labour (obstetric) • cure illness or provide definitive treatment of injury • perform surgery • relieve symptoms of illness or injury, excluding palliative care • reduce severity of an illness or injury • protect against exacerbation and/or complication of an illness and/or injury that could threaten life or normal function • perform diagnostic or therapeutic procedures. |
| Acute hospital | Generally, a recognised hospital that provides acute care and excludes dental and psychiatric hospitals. |
| Admission | The process whereby a hospital accepts responsibility for a patient's care and/or treatment. It follows a clinical decision, based on specified criteria, that a patient requires same-day or overnight care or treatment, which can occur in hospital and/or in the patient's home (for <i>Hospital in the Home</i> patients). |
| Admitted patient | A patient who undergoes a hospital's formal admission process. |
| Allied health staff | Professional staff who meet mandatory qualifications and regulatory requirements in audiology, clinical measurement sciences, dietetics and nutrition, exercise physiology, leisure therapy, medical imaging, music therapy, nuclear medicine technology, occupational therapy, orthoptics, pharmacy, physiotherapy, podiatry, prosthetics and orthotics, psychology, radiation therapy, sonography, speech pathology or social work. |
| Benchmarking | The collection of performance information for the purpose of comparing performance with similar organisations. |
| Best practice | Cooperative way in which organisations and their staff undertake business activities in all key processes, and use benchmarking that can be expected to lead to sustainable, world class positive outcomes. |
| Clinical governance | A framework by which health organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish. |
| Clinically meaningful pain reduction | The outcome measure—a clinically meaningful pain reduction—is defined as a minimum two point reduction (on a 10 point scale) in pain score from pre- to post-treatment. |
| Clinical practice | Professional activity undertaken by health professionals to investigate patient symptoms and prevent and/or manage illness, together with associated professional activities for patient care. |
| Clinical workforce | Staff who are, or who support, health professionals working in clinical practice, have healthcare specific knowledge/experience, and provide clinical services to health consumers, either directly and/or indirectly, through services that have a direct impact on clinical outcomes. |
| Code 1 incident | A Code 1 (emergency) incident is potentially life threatening necessitating the use of ambulance vehicle warning devices (lights and siren) enroute. |
| Emergency department waiting time | Time elapsed for each patient from presentation to the emergency department to start of services by the treating clinician. It is calculated by deducting the date and time the patient presents from the date and time of the service event. |
| Full-time equivalent | Refers to full-time equivalent staff currently working in a position. |
| Health outcome | Change in the health of an individual, group of people or population attributable to an intervention or series of interventions. |

| | |
|-------------------------------------|--|
| Health reform | Response to the <i>National Health and Hospitals Reform Commission Report (2009)</i> that outlined recommendations for transforming the Australian health system, the <i>National Health and Hospitals Network Agreement (NHHNA)</i> signed by the Australian Government and states and territories, other than Western Australia, in April 2010 and the National Health Reform Heads of Agreement signed in February 2010 by the Australian Government and all states and territories amending the NHHNA. |
| Hospital | Healthcare facility established under Commonwealth, state or territory legislation as a hospital or a free-standing day-procedure unit and authorised to provide treatment and/or care to patients. |
| Hospital and Health Board | A Hospital and Health Board (HHB) is made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation. |
| Hospital and Health Services | Hospital and Health Services (HHS) are separate legal entities established to deliver public hospital services. HHSs commenced on 1 July 2012. Queensland's 16 HHSs replaced existing health service districts. |
| Hospital in the Home | Provision of care to hospital-admitted patients in their place of residence, as a substitute for hospital accommodation. |
| Immunisation | Process of inducing immunity to an infectious agency by administering a vaccine. |
| Incidence | Number of new cases of a condition occurring within a given population, over a certain period of time. |
| Incident | An incident is an event that results in one or more responses by the ambulance service. |
| Indigenous healthcare worker | An Aboriginal and/or Torres Strait Islander person who holds the specified qualification and works within a primary healthcare framework to improve health outcomes for Indigenous Australians. |
| Long wait | An elective surgery patient who has waited longer than the clinically recommended time for their surgery, according to the clinical urgency category assigned. That is, more than 30 days for a category 1 patient, more than 90 days for a category 2 patient and more than 365 days for a category 3 patient. |
| Medical practitioner | A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners. |
| NEAT | The National Emergency Access Target (NEAT) is a national performance benchmark for public hospitals across Australia that has been in place since January 2012—set under the <i>National partnership agreement on improving public hospital services</i> . |
| NEST | The National Elective Surgery Target (NEST) is a national performance benchmark to improve patient care by: <ul style="list-style-type: none"> • increasing the percentage of elective surgery patients seen within the clinically recommended time (NEST Part 1) • reducing the number of patients who have waited longer than the clinically recommended time (i.e. long waits) (NEST Part 2). |
| NDIS | The <i>National Disability Insurance Scheme</i> is a national scheme providing individualised (reasonable and necessary) disability supports to people with a disability over a lifetime. It is administered by a single agency—National Disability Insurance Agency. |
| Non-admitted patient | A patient who does not undergo a hospital's formal admission process. |
| Non-admitted patient service | An examination, consultation, treatment or other service provided to a non-admitted patient in a functional unit of a health service facility. |
| Outpatient | A non-admitted, non-emergency patient who is provided with an outpatient service. |
| Outpatient service | Examination, consultation, treatment or other service provided to a non-admitted, non-emergency patient in a specialty unit or under an organisational arrangement administered by a hospital. |
| Patient flow | Optimal patient flow means the patient's journey through the hospital system. It may be planned or unplanned and occurs in the safest, most streamlined and timely way to deliver good patient care. |
| Performance indicator | A measure that provides an 'indication' of progress towards achieving the organisation's objectives. Performance indicators usually have targets that define the level of performance expected against the performance indicator. |
| Population health | The promotion of healthy lifestyles, prevention or early detection of illness or disease, prevention of injury and protection of health through organised, population-based programs and strategies. |

| | |
|-------------------------------------|--|
| Private hospital | A hospital owned by a for-profit company or a non-profit organisation and privately funded through payment for medical services by patients or insurers. Patients admitted to private hospitals are treated by a doctor of their choice. |
| Public patient | A public patient is a person who elects to be treated in a public hospital or is receiving treatment in a private hospital under a contract arrangement with a public hospital or health authority. |
| Public hospital | Public hospitals offer free diagnostic services, treatment, care and accommodation to eligible patients. |
| Queensland Health | Refers to the public health system, incorporating the Department of Health and the 16 HHSs. |
| Queensland healthcare system | Incorporates the public, private and not-for-profit healthcare sectors. |
| Registered nurse | An individual registered under national law to practice in the nursing profession as a nurse, other than as a student. |
| Ryan's Rule | <i>Ryan's Rule</i> is a statewide patient, family/carer escalation process to honour the memory of Ryan. It offers patients, their family and/or carer an opportunity to 'escalate' their concerns independently when they believe the patient in hospital is getting worse, is not doing as well as expected or who shows behaviour that is not normal for them. |
| Statutory agency | A non-departmental government body, established under an Act of Parliament. Statutory agencies can include corporations, regulatory authorities and advisory committees/councils. |
| Statutory bodies | A non-departmental government body, established under an Act of Parliament. Statutory bodies can include corporations, regulatory authorities and advisory committees/councils. |
| Sustainable health system | A health system that provides infrastructure, such as workforce, facilities and equipment, and is innovative and responsive to emerging needs within available resources. |
| Telehealth | Delivery of health-related services and information via telecommunication technologies, including: <ul style="list-style-type: none"> • live, audio and or/video interactive links for clinical consultations and educational purposes • store-and-forward telehealth, including digital images, video, audio and clinical (storage) on a client computer, then transmitted securely (forwarded) to a clinic at another location where they are studied by relevant specialists • teleradiology for remote reporting and clinical advice for diagnostic images • telehealth services and equipment to monitor people's health in their home. |
| Triage category | Urgency of a patient's need for medical and nursing care. |

Acronyms

| | |
|--------------|--|
| ABLV | Australian Bat Lyssavirus |
| ASM | Australian service medal |
| BPE | Building performance evaluation |
| BSQ | BreastScreen Queensland |
| CART | Clinical audit review tool |
| CAS | Conduct Advisory Services |
| CIMHA | Consumer integrated mental health application |
| CHIO | Chief health information officer |
| CPR | Cardiopulmonary resuscitation |
| CTO | Chief technology officer |
| DPC | Department of the Premier and Cabinet |
| EVD | Ebola Virus Disease |
| EVP | Emergency vehicle priority |
| FTE | Full-time equivalent |
| HCC | Health contact centre |
| HCQ | Health Commissioning Queensland |
| HHB | Hospital and Health Board |
| HHS | Hospital and Health Service |
| HIV | Human immunodeficiency virus |
| HSCE | Health service chief executive |
| HSCI | Health Services and Clinical Innovation |
| HSIA | Health Services Information Agency |
| HSQ | Health Support Queensland |
| ICT | Information and communications technology |
| ieMR | integrated electronic Medical Record system |
| IMG | International medical graduates |
| iROAM | Integrated real-time operational ambulance management system |
| IT | Information technology |

| | |
|--------------|--|
| LAC | Local ambulance committee |
| LAM | List of Approved Medicines |
| LASN | Local Ambulance Service Networks |
| MIMMS | Major incident medical management and support |
| MSQ | Medication Services Queensland |
| NDIS | National Disability Insurance Scheme |
| NEAT | National Emergency Access Targets |
| NEST | National Elective Surgery Targets |
| NHHNA | National Health and Hospitals Network Agreement |
| NPA | National partnership agreement |
| OCHIO | Office of the Chief Health Information Officer |
| ODG | Office of the Director-General |
| PB | Performance benchmark |
| POCT | Point-of-care-tool |
| PPE | Personal protective equipment |
| QAEHS | Queensland Alliance for Environmental Health Science |
| QAO | Queensland audit officer |
| QAS | Queensland Ambulance Service |
| QIRC | Queensland Industrial Relations Commission |
| QUT | Queensland University of Technology |
| RN | Registered nurse |
| RSQ | Retrieval Services Queensland |
| SMO | Senior medical officer |
| SSS | System Support Services |
| STI | Sexually transmissible infection |
| UQ | University of Queensland |
| VMO | Visiting medical officer |

Annual report compliance checklist

The characteristics of a quality annual report are that it:

- complies with statutory and policy requirements
- presents information in a concise manner
- is written in plain English
- provides a balanced account of performance.

Table 12: Compliance checklist

| Summary of requirement | Basis for requirement | Annual report reference |
|---------------------------|--|---|
| Letter of compliance | A letter of compliance from the accountable officer or statutory body to the relevant Minister ARRs—section 8 | Page 1 |
| Accessibility | Table of contents | Page 3 |
| | Glossary | Pages 79–80 |
| | Public availability | ARRs – section 10.2 Inside front cover |
| | Interpreter service statement | <i>Queensland Government Language Services Policy</i> ARRs – section 10.3 Inside front cover |
| | Copyright notice | <i>Copyright Act 1968</i> ARRs – section 10.4 Inside front cover |
| General information | Information licensing | <i>Queensland Government Enterprise Architecture – Information licensing</i> ARRs – section 10.5 Inside front cover |
| | Introductory information | ARRs – section 11.1 Pages 5–7 |
| | Agency role and main functions | ARRs – section 11.2 Page 8 |
| | Operating environment | ARRs – section 11.3 Pages 9–16 |
| Non-financial performance | Machinery-of-government changes | ARRs – section 11.4 Page 17 |
| | Government's objectives for the community | ARRs – section 12.1 Pages 8, 22, 28, 36, 41, 47 |
| | Other whole-of-government plans/specific initiatives | ARRs – section 12.2 Pages 75–77 |
| | Agency objectives and performance indicators | ARRs – section 12.3 Pages 22–49 |
| | Agency service areas and service standards | ARRs – section 12.4 Pages 50–56 |

Table 12: Compliance checklist (cont.)

| Summary of requirement | | Basis for requirement | Annual report reference |
|--|---|---|---------------------------|
| Financial performance | Summary of financial performance | ARRs – section 13.1 | Page 20 |
| Governance – management and structure | Organisational structure | ARRs – section 14.1 | Pages 9–13 |
| | Executive management | ARRs – section 14.2 | Pages 14–16 |
| | Government bodies (statutory bodies and other entities) | ARRs – section 14.3 | Pages 57–60 |
| | <i>Public Sector Ethics Act 1994</i> | <i>Public Sector Ethics Act 1994</i> ARRs – section 14.4 | Pages 60–61 |
| Governance – risk management and accountability | Risk management | ARRs – section 15.1 | Page 61 |
| | External scrutiny | ARRs – section 15.2 | Pages 62 |
| | Audit committee | ARRs – section 15.3 | Page 62 |
| | Internal audit | ARRs – section 15.4 | Page 62–63 |
| | Information systems and recordkeeping | ARRs – section 15.5 | Page 63 |
| Governance – human resources | Workforce planning and performance | ARRs – section 16.1 | Pages 64–69 |
| | Early retirement, redundancy and retrenchment | <i>Directive No.11/12 Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2 | Page 69 |
| Open Data | Consultancies | ARRs – section 17 ARRs—section 34.1 | Inside front cover |
| | Overseas travel | ARRs – section 17 ARRs—section 34.2 | Inside front cover |
| | Queensland Language Services Policy | ARRs – section 17 ARRs—section 34.3 | Inside front cover |
| | Government bodies | ARRs – section 17 ARRs—section 34.4 | Inside front cover |
| Financial statements | Certification of financial statements | FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1 | With financial statements |
| | Independent Auditors Report | FAA – section 62 FPMS – section 50 ARRs – section 18.2 | With financial statements |
| | Remuneration disclosures | <i>Financial Reporting Requirements for Queensland Government Agencies</i> ARRs – section 18.3 | With financial statements |

FAA—Financial Accountability Act 2009

FPMS—Financial and Performance Management Standard 2009

ARRs—Annual report requirements for Queensland Government agencies

Our financial statements 2014–15

| | |
|---|---------|
| Statement of profit or loss and other comprehensive income | 86 |
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| Statement of assets and liabilities by major departmental services | 91 |
| Notes to the financial statements | 92-127 |
| Management certificate | 128 |
| Independent auditor's report | 129-130 |

General information

The Department of Health is a Queensland Government department established under the *Public Service Act 2008* and its registered trading name is Queensland Health.

Queensland Health is controlled by the State of Queensland which is the ultimate parent entity.

The head office and principal place of business of the department is:

147-163 Charlotte Street
Brisbane
Queensland 4000

For information in relation to the Department of Health's financial statements, email FIN_Corro@health.qld.gov.au or visit the Queensland Health website at <http://www.health.qld.gov.au>.

Department of Health
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

| | Note | 2015 \$'000 | 2014 \$'000 |
|---|-------------|------------------------|------------------------|
| Revenue | | | |
| Departmental services revenue | 3 | 8,698,761 | 8,268,855 |
| User charges | 4 | 1,504,519 | 1,404,288 |
| Labour recoveries | 5 | 1,699,905 | 6,761,350 |
| Grants and other contributions | 6 | 3,305,689 | 2,925,701 |
| Other revenue | 7 | 33,067 | 35,753 |
| Gains on disposals | | 1,665 | 901 |
| Total revenue | | <u>15,243,606</u> | <u>19,396,848</u> |
| Expenses | | | |
| Employee expenses | 8 | (2,820,988) | (7,792,792) |
| Supplies and services | 9 | (1,231,544) | (1,126,595) |
| Health services | 10 | (10,800,111) | (10,041,624) |
| Grants and subsidies | 11 | (55,793) | (89,500) |
| Depreciation and amortisation | 18,20 | (118,581) | (121,282) |
| Impairment losses | | (4,697) | 1,922 |
| Share of loss from associates | 30 | (1,177) | (1,162) |
| Other expenses | 12 | (192,855) | (221,004) |
| Total expenses | | <u>(15,225,746)</u> | <u>(19,392,037)</u> |
| Surplus for the year | | 17,860 | 4,811 |
| Other comprehensive income | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Increase / (decrease) in asset revaluation surplus | | <u>(9,439)</u> | <u>9,048</u> |
| Other comprehensive income for the year | | <u>(9,439)</u> | <u>9,048</u> |
| Total comprehensive income for the year | | <u><u>8,421</u></u> | <u><u>13,859</u></u> |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

**Department of Health
Statement of financial position
As at 30 June 2015**

| | Note | 2015 \$'000 | 2014 \$'000 |
|--------------------------------|-------------|------------------------|------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 13 | 215,353 | (137,794) |
| Loans and receivables | 14 | 992,516 | 1,145,747 |
| Inventories | 15 | 54,752 | 51,361 |
| Classified as held for sale | | - | 14,700 |
| Other assets | 16 | 178,911 | 130,730 |
| Total current assets | | <u>1,441,532</u> | <u>1,204,744</u> |
| Non-current assets | | | |
| Loans and receivables | 17 | 111,518 | 125,548 |
| Investment in associates | 30 | 80,910 | 82,087 |
| Property, plant and equipment | 18 | 1,386,125 | 2,709,945 |
| Intangibles | 20 | 224,136 | 231,983 |
| Other assets | | 4,307 | 1,131 |
| Total non-current assets | | <u>1,806,996</u> | <u>3,150,694</u> |
| Total assets | | <u>3,248,528</u> | <u>4,355,438</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Payables | 21 | 937,712 | 698,490 |
| Accrued employee benefits | 22 | 429,522 | 545,099 |
| Unearned revenue | | 72 | 63 |
| Total current liabilities | | <u>1,367,306</u> | <u>1,243,652</u> |
| Non-current liabilities | | | |
| Unearned revenue | | 2,722 | 20,213 |
| Total non-current liabilities | | <u>2,722</u> | <u>20,213</u> |
| Total liabilities | | <u>1,370,028</u> | <u>1,263,865</u> |
| Net assets | | <u>1,878,500</u> | <u>3,091,573</u> |
| Equity | | | |
| Asset revaluation surplus | 23 | 77,858 | 87,297 |
| Retained surpluses | | <u>1,800,642</u> | <u>3,004,276</u> |
| Total equity | | <u>1,878,500</u> | <u>3,091,573</u> |

The above statement of financial position should be read in conjunction with the accompanying notes

Department of Health
Statement of changes in equity
For the year ended 30 June 2015

| | Contributed equity \$'000 | Asset Revaluation surplus \$'000 | Retained surpluses \$'000 | Total equity \$'000 |
|--|--|---|--|------------------------------------|
| Balance at 1 July 2013 | 339,697 | 78,249 | 3,310,859 | 3,728,805 |
| Surplus for the year | - | - | 4,811 | 4,811 |
| Other comprehensive income for the year | - | 9,048 | - | 9,048 |
| Total comprehensive income for the year | - | 9,048 | 4,811 | 13,859 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | |
| Equity injections (Note 3) | 1,051,287 | - | - | 1,051,287 |
| Equity withdrawals (Note 3) | (416,885) | - | - | (416,885) |
| HHS equity injections | 205,874 | - | - | 205,874 |
| Reclassification between equity classes | 315,698 | - | (315,698) | - |
| Queensland Ambulance Service transfer | 434,808 | - | - | 434,808 |
| Net assets transferred | (1,930,479) | - | 4,304 | (1,926,175) |
| Balance at 30 June 2014 | - | 87,297 | 3,004,276 | 3,091,573 |

| | Contributed equity \$'000 | Asset Revaluation Surplus \$'000 | Retained surpluses \$'000 | Total equity \$'000 |
|--|--|---|--|------------------------------------|
| Balance at 1 July 2014 | - | 87,297 | 3,004,276 | 3,091,573 |
| Surplus for the year | - | - | 17,860 | 17,860 |
| Other comprehensive income for the year | - | (9,439) | - | (9,439) |
| Total comprehensive income for the year | - | (9,439) | 17,860 | 8,421 |
| <i>Transactions with owners in their capacity as owners:</i> | | | | |
| Equity injections (Note 3) | 809,118 | - | - | 809,118 |
| Equity withdrawals (Note 3) | (409,819) | - | - | (409,819) |
| HHS equity injections | 297,161 | - | - | 297,161 |
| Reclassification between equity classes* | 1,225,489 | - | (1,225,489) | - |
| Net assets transferred | (1,921,949) | - | - | (1,921,949) |
| Other equity adjustments | - | - | 3,995 | 3,995 |
| Balance at 30 June 2015 | - | 77,858 | 1,800,642 | 1,878,500 |

*Reclassification between equity classes primarily relates to capital contributions to HHSs which were adjusted against the department's contributed equity during the financial year. In accordance with Queensland Treasury policy, to the extent that these transfers caused the department's contributed equity to reduce below \$0, the balance was adjusted against the department's accumulated surplus.

The above statement of changes in equity should be read in conjunction with the accompanying notes

**Department of Health
Statement of cash flows
For the year ended 30 June 2015**

| | Note | 2015 \$'000 | 2014 \$'000 |
|--|-------------|------------------------|------------------------|
| Cash flows from operating activities | | | |
| <i>Inflows</i> | | | |
| Departmental services receipts | | 8,839,980 | 8,340,966 |
| Labour recoveries | | 1,751,726 | 6,687,023 |
| User charges | | 1,574,768 | 1,383,346 |
| Grants and other contributions | | 3,107,883 | 2,899,058 |
| GST collected from customers | | 18,821 | 21,683 |
| GST input tax credits | | 167,618 | 153,193 |
| Other revenue | | 33,086 | 35,640 |
| <i>Outflows</i> | | | |
| Health services | | (10,181,626) | (9,768,579) |
| Employee expenses | | (2,851,719) | (7,858,166) |
| Supplies and services | | (1,345,995) | (1,126,101) |
| Grants and subsidies | | (55,934) | (90,103) |
| GST paid to suppliers | | (148,233) | (141,148) |
| GST remitted | | (40,898) | (22,946) |
| Other expenses | | (16,024) | (33,743) |
| Net cash from operating activities | 24 | 853,453 | 480,123 |
| Cash flows from investing activities | | | |
| <i>Inflows</i> | | | |
| Loans and advances redeemed | | 133,965 | 27,140 |
| Proceeds from sale of property, plant and equipment | | 16,369 | 15,829 |
| <i>Outflows</i> | | | |
| Payments for property, plant and equipment | | (796,462) | (1,008,114) |
| Payments for intangibles | | (38,213) | (30,002) |
| Loans and advances made | | (87) | (807) |
| Net cash used in investing activities | | (684,428) | (995,954) |
| Cash flows from financing activities | | | |
| <i>Inflows</i> | | | |
| Equity injections | | 807,056 | 907,341 |
| Cash received through Queensland Ambulance Service transfer | | - | 12,232 |
| <i>Outflows</i> | | | |
| Equity withdrawals | | (622,934) | (379,749) |
| Net cash from financing activities | | 184,122 | 539,824 |
| Net increase in cash and cash equivalents | | 353,147 | 23,993 |
| Cash and cash equivalents at the beginning of the financial year | | (137,794) | (161,787) |
| Cash and cash equivalents at the end of the financial year | 13 | 215,353 | (137,794) |

The above statement of cash flows should be read in conjunction with the accompanying notes

Department of Health
Statement of profit or loss and other comprehensive income by major departmental services
For the year ended 30 June 2015

| | Prevention, Promotion, Protection | | Primary Health Care | | Ambulatory Care | | Acute Care | | Rehabilitation and Extended Care | | Integrated Mental Health Services | | Queensland Ambulance Service | | Total Major Departmental Services | |
|---|---|----------------|---------------------|-----------------|------------------|------------------|----------------|----------------|-------------------------------------|-----------------|--------------------------------------|------------------|------------------------------------|---------------|--------------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue | | | | | | | | | | | | | | | | |
| Departmental services revenue | 337,909 | 252,842 | 517,913 | 551,677 | 1,694,421 | 1,744,911 | 4,401,137 | 4,045,812 | 540,203 | 581,989 | 736,026 | 742,539 | 471,152 | 349,085 | 8,698,761 | 8,288,855 |
| User charges | 39,100 | 35,206 | 134,841 | 121,412 | 114,731 | 103,305 | 1,089,540 | 981,030 | 19,519 | 17,576 | 58,506 | 52,679 | 48,283 | 93,081 | 1,504,519 | 1,404,288 |
| Labour recoveries | 76,229 | 224,162 | 93,635 | 433,461 | 407,433 | 1,721,218 | 813,133 | 3,065,783 | 135,178 | 595,146 | 174,297 | 721,580 | - | - | 1,699,905 | 6,761,350 |
| Grant and other contributions | 175,982 | 122,088 | 180,227 | 185,836 | 784,224 | 737,931 | 1,565,112 | 1,314,380 | 260,189 | 255,155 | 335,485 | 309,360 | 4,469 | 950 | 3,305,689 | 2,925,701 |
| Other revenue | 849 | 924 | 2,926 | 3,186 | 2,490 | 2,711 | 23,645 | 25,742 | 424 | 461 | 1,270 | 1,382 | 1,464 | 1,347 | 33,067 | 35,753 |
| Gains on disposals | 24 | 11 | 82 | 39 | 70 | 33 | 684 | 316 | 12 | 6 | 36 | 17 | 777 | 479 | 1,665 | 901 |
| Total Revenue | 630,092 | 635,233 | 929,625 | 1,295,611 | 3,003,370 | 4,310,108 | 7,893,231 | 9,433,064 | 955,525 | 1,450,333 | 1,305,619 | 1,827,557 | 526,145 | 444,942 | 15,243,606 | 19,396,848 |
| Expenses | | | | | | | | | | | | | | | | |
| Employee expenses | 94,588 | 243,395 | 156,949 | 499,791 | 461,305 | 1,777,655 | 1,324,727 | 3,601,736 | 144,343 | 604,748 | 201,768 | 750,359 | 437,307 | 315,109 | 2,820,988 | 7,792,792 |
| Supplies and services | 44,538 | 31,151 | 83,538 | 80,700 | 206,748 | 175,111 | 698,408 | 617,701 | 62,436 | 53,587 | 91,575 | 77,007 | 44,301 | 91,339 | 1,231,544 | 1,126,595 |
| Health services | 475,248 | 326,693 | 708,854 | 735,724 | 2,540,141 | 2,525,952 | 5,069,474 | 4,468,067 | 842,766 | 867,365 | 1,163,629 | 1,117,823 | - | - | 10,800,111 | 10,041,624 |
| Grants and subsidies | 26,760 | 28,204 | 2,215 | 5,523 | 1,884 | 4,700 | 17,896 | 44,630 | 321 | 800 | 961 | 2,397 | 5,756 | 3,248 | 55,793 | 89,500 |
| Depreciation and amortisation | 2,303 | 2,574 | 7,941 | 8,878 | 6,757 | 7,554 | 64,167 | 71,735 | 1,150 | 1,285 | 3,446 | 3,852 | 32,818 | 25,403 | 118,581 | 121,282 |
| Impairment losses | 109 | (86) | 376 | (291) | 320 | (248) | 3,037 | (2,355) | 54 | (42) | 163 | (126) | 638 | 1,226 | 4,697 | (1,922) |
| Share of loss from associates | 1,177 | 1,162 | - | - | - | - | - | - | - | - | - | - | - | - | 1,177 | 1,162 |
| Other expenses | 6,194 | 6,220 | 15,071 | 18,355 | 25,002 | 27,951 | 123,881 | 144,329 | 6,701 | 7,513 | 11,506 | 12,830 | 4,500 | 3,806 | 192,855 | 221,004 |
| Total Expenses | 650,916 | 639,315 | 974,944 | 1,348,679 | 3,242,156 | 4,518,674 | 7,301,590 | 8,945,842 | 1,057,770 | 1,535,255 | 1,473,048 | 1,964,140 | 525,321 | 440,131 | 15,225,746 | 19,392,037 |
| (Deficit) / Surplus for the period / year | (20,826) | (4,082) | (46,319) | (53,068) | (238,787) | (208,566) | 591,641 | 487,222 | (102,245) | (84,922) | (167,429) | (136,583) | 824 | 4,811 | 17,860 | 4,811 |
| Items that will not be reclassified subsequently to profit or loss | | | | | | | | | | | | | | | | |
| Increase/ decrease in asset revaluation surplus | (310) | (180) | (1,068) | (621) | (909) | (528) | (8,628) | (5,016) | (155) | (90) | (463) | (269) | 2,093 | 15,752 | (9,439) | 9,048 |
| Other comprehensive income | (310) | (180) | (1,068) | (621) | (909) | (528) | (8,628) | (5,016) | (155) | (90) | (463) | (269) | 2,093 | 15,752 | (9,439) | 9,048 |
| Total comprehensive income | (21,135) | (4,262) | (46,387) | (53,689) | (239,695) | (209,094) | 583,012 | 482,206 | (102,400) | (85,012) | (167,892) | (136,852) | 2,917 | 20,563 | 8,421 | 13,859 |

Department of Health
Statement of assets and liabilities by major departmental services
For the year ended 30 June 2015

| | Prevention, Promotion, Protection | | Primary Health Care | | Ambulatory Care | | Acute Care | | Rehabilitation and Extended Care | | Integrated Mental Health Services | | Queensland Ambulance Service | | Total Major Departmental Services | |
|--------------------------------------|-----------------------------------|----------------|---------------------|----------------|-----------------|----------------|------------------|------------------|----------------------------------|----------------|-----------------------------------|----------------|------------------------------|----------------|-----------------------------------|------------------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Current assets | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | 7,454 | (5,264) | 11,082 | (10,920) | 36,341 | (36,461) | 88,410 | (75,902) | 11,715 | (12,330) | 16,168 | (15,659) | 44,183 | 18,742 | 215,353 | (137,794) |
| Loans and receivables | 42,261 | 37,255 | 62,833 | 77,293 | 206,046 | 258,067 | 501,271 | 537,219 | 66,421 | 87,269 | 91,672 | 110,832 | 22,011 | 37,812 | 992,516 | 1,145,747 |
| Inventories | 2,303 | 1,677 | 3,424 | 3,480 | 11,227 | 11,619 | 27,312 | 24,187 | 3,619 | 3,929 | 4,995 | 4,990 | 1,873 | 1,478 | 54,752 | 51,361 |
| Classified as held for sale | - | 488 | - | 1,012 | - | 3,377 | - | 7,031 | - | 1,142 | - | 1,451 | - | 200 | - | 14,700 |
| Other assets | 7,626 | 4,329 | 11,337 | 8,981 | 37,179 | 29,985 | 90,448 | 62,419 | 11,985 | 10,140 | 16,541 | 12,878 | 3,795 | 1,999 | 178,911 | 130,730 |
| Total current assets | 59,643 | 38,485 | 88,676 | 79,845 | 290,793 | 266,587 | 707,441 | 554,955 | 93,740 | 90,150 | 129,377 | 114,491 | 71,862 | 60,231 | 1,441,532 | 1,204,744 |
| Non-current assets | | | | | | | | | | | | | | | | |
| Loans and receivables | 4,856 | 4,222 | 7,220 | 8,759 | 23,676 | 29,243 | 57,600 | 60,876 | 7,632 | 9,889 | 10,534 | 12,559 | - | - | 111,518 | 125,548 |
| Investments in associates | 3,523 | 2,760 | 5,238 | 5,727 | 17,178 | 19,120 | 41,790 | 39,803 | 5,537 | 6,466 | 7,643 | 8,212 | - | - | 80,910 | 82,087 |
| Property, plant and equipment | 41,911 | 76,368 | 62,312 | 158,439 | 204,338 | 528,997 | 497,113 | 1,101,215 | 65,870 | 178,889 | 90,912 | 227,188 | 423,669 | 438,849 | 1,386,125 | 2,709,945 |
| Intangibles | 9,732 | 7,795 | 14,470 | 16,172 | 47,451 | 53,994 | 115,439 | 112,400 | 15,296 | 18,259 | 21,112 | 23,189 | 635 | 175 | 224,136 | 231,983 |
| Other assets | 188 | 38 | 279 | 79 | 914 | 263 | 2,225 | 548 | 295 | 89 | 407 | 113 | - | - | 4,307 | 1,131 |
| Total non-current assets | 60,210 | 91,182 | 89,519 | 189,175 | 293,557 | 631,618 | 714,167 | 1,314,842 | 94,631 | 213,591 | 130,607 | 271,261 | 424,304 | 439,024 | 1,806,996 | 3,150,694 |
| Total assets | 119,853 | 129,667 | 178,196 | 269,020 | 584,350 | 898,205 | 1,421,609 | 1,869,797 | 188,371 | 303,742 | 259,984 | 385,752 | 496,166 | 499,255 | 3,248,528 | 4,355,438 |
| Current Liabilities | | | | | | | | | | | | | | | | |
| Payables | 39,285 | 22,663 | 58,409 | 47,019 | 191,538 | 156,988 | 465,974 | 326,803 | 61,744 | 53,088 | 85,217 | 67,422 | 35,545 | 24,507 | 937,712 | 698,490 |
| Accrued employee benefits | 17,985 | 17,729 | 26,740 | 36,781 | 87,688 | 122,806 | 213,328 | 255,646 | 28,267 | 41,529 | 39,013 | 52,742 | 16,499 | 17,867 | 429,522 | 545,099 |
| Unearned revenue | 2 | 1 | 3 | 3 | 8 | 9 | 21 | 19 | 3 | 3 | 4 | 4 | 32 | 23 | 72 | 63 |
| Total current liabilities | 57,273 | 40,393 | 85,152 | 83,803 | 279,234 | 279,803 | 679,323 | 582,468 | 90,014 | 94,620 | 124,234 | 120,167 | 52,076 | 42,397 | 1,367,306 | 1,243,652 |
| Non-current liabilities | | | | | | | | | | | | | | | | |
| Unearned revenue | 119 | 680 | 176 | 1,410 | 578 | 4,708 | 1,406 | 9,801 | 186 | 1,592 | 257 | 2,022 | - | - | 2,722 | 20,213 |
| Total non-current liabilities | 119 | 680 | 176 | 1,410 | 578 | 4,708 | 1,406 | 9,801 | 186 | 1,592 | 257 | 2,022 | - | - | 2,722 | 20,213 |
| Total liabilities | 57,391 | 41,073 | 85,328 | 85,213 | 279,812 | 284,512 | 680,729 | 592,269 | 90,200 | 96,212 | 124,492 | 122,189 | 52,076 | 42,397 | 1,370,028 | 1,263,865 |
| Net assets | 62,462 | 88,594 | 92,868 | 183,806 | 304,537 | 613,694 | 740,880 | 1,277,528 | 98,171 | 207,530 | 135,492 | 263,563 | 444,090 | 456,858 | 1,878,500 | 3,091,573 |

During the 2014-15 financial year the Department reviewed and improved the methodology to produce the major departmental services statement. As a result the 2013-14 results have been restated to provide more accurate disclosure.

The above statement of major departmental services should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

1(a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in compliance with section 42 of the *Financial and Performance Management Standard 2009* and in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities as the department is a not-for-profit entity. The financial statements comply with Queensland Treasury's reporting requirements and authoritative pronouncements. Amounts are recorded at their historical cost, except where stated otherwise.

1(b) The reporting entity

The financial statements include the value of all assets, liabilities, equity, revenues and expenses of the department.

Prior to 1 July 2014, the Torres Strait-Northern Peninsula HHS was administered and controlled by the Director-General, Department of Health. From 1 July 2014, the Cape York and Torres Strait-Northern Peninsula HHSs were amalgamated to form a single HHS covering the northernmost regions of the state. The new HHS has a single executive management team and operates under the guidance of a Hospital and Health Board featuring equal representation from the two regions. As a result, the Torres Strait-Northern Peninsula HHS is no longer controlled by the department and no financial information relating to the HHS is disclosed.

1(c) Investment in associate

The department has two associated entities: Translational Research Institute Pty Ltd and the Translational Research Institute Trust (TRI). Of these, only TRI is an operating entity. The department does not control either entity but does have significant influence over the financial and operating policy decisions because of its 25 per cent ownership interest. Refer Note 30.

The department accounts for its interest in TRI using the equity method. In determining the department's share of TRI's financial result, its income, expenses and equity movements are adjusted to align the accounting policies of TRI with those of the department. At each reporting date, the department determines whether there is objective evidence that the investment in the TRI is impaired. If there is such evidence, the impairment is calculated as the difference between the recoverable amount and the carrying value of the investment and recognised in the Statement of profit or loss and other comprehensive income.

The department holds a minority shareholding in the Queensland Children's Medical Research Institute (QCMRI). However, as the department has no rights to the net assets of QCMRI and no economic benefit is expected to flow to the department, an investment in associate asset has not been recognised.

1(d) Administered transactions and balances

The department administers, but does not control, certain resources on behalf of the Queensland Government. In doing so, it has responsibility and is accountable for administering related transactions and items, but does not have the discretion to deploy the resources for the achievement of the department's objectives. Refer Note 31.

1(e) Major departmental services revenue and administered revenue

Appropriations provided under the *Appropriation Act 2014* are recognised as revenue when received or as a receivable when approved by Queensland Treasury. Amounts appropriated to the department for transfer to other entities are reported as administered appropriation items.

1(f) User charges and fees

User charges and fees are recognised by the department when controlled and earned, in accordance with AASB 118 *Revenue*. This includes hospital fees, sales of goods and services and rental income. Hospital fees mainly consist of interstate patient revenue and Department of Veterans' Affairs revenue. The sale of goods and services includes drugs, medical supplies, linen, pathology and other services provided to HHSs.

Note 1. Significant accounting policies (continued)

1(g) Labour recoveries from Hospital and Health Services (HHSs)

For some HHSs, employees are provided by the department to perform work under a service agreement, and the department recovers all employee expenses and associated on-costs from HHSs. These are recorded as labour recoveries revenue on the Statement of profit or loss and other comprehensive income. Refer Note 5.

1(h) Grants and other contributions revenue

Grants, contributions, donations and gifts are recognised as revenue in the year in which the department obtains control over them. Where grants received are reciprocal in nature, revenue is recognised as it is earned, according to the terms of the funding agreements. Donated assets are recognised at their fair value.

1(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1(j) Loans and receivables

Trade receivables are recognised at their carrying values less any impairment. Trade receivables are generally settled within 60 days; however, some loans may take longer to recover. The recoverability of trade debtors is reviewed on an ongoing basis. Allowances for impairment are based on the loss events disclosed in Note 25. All known bad debts are written off when identified.

Payroll receivables are measured at amortised cost and include amounts relating to salary overpayments and interim cash payments.

The change in pay date transitional loan was measured at fair value on initial recognition, calculated as the present value of the expected future cash flows over the life of the loan, discounted using a risk-free effective interest rate of 3.05 per cent.

1(k) Inventories

Inventories consist mainly of pharmacy and general medical supplies held for distribution to HHSs. Inventories are measured at weighted average cost, adjusted for loss of service potential, other than vaccine stock which is measured at cost on a first in first out basis. Inventory is held at the lower of cost and net realisable value (held at cost, adjusted when applicable for any loss of service potential).

1(l) Property, plant and equipment

The department recognises items of property, plant and equipment when they have a useful life of more than one year and have a cost or fair value equal to or greater than the following thresholds:

| | |
|---|----------|
| Buildings (including land improvements) | \$10,000 |
| Land | \$1 |
| Plant and equipment | \$5,000 |

Property, plant and equipment are initially recorded at consideration plus any other costs directly incurred in bringing the asset to the condition ready for use. Items or components that form an integral part of an asset are recognised as a single asset. The cost of items acquired during the financial year has been judged by management to materially represent the fair value at the end of the reporting period.

Assets received for no consideration from another Queensland Government agency are recognised at fair value, being the net book value recorded by the transferor immediately prior to the transfer. Assets acquired at no cost, or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are initially recognised at their fair value at the date of acquisition.

Note 1. Significant accounting policies (continued)

Land and buildings revaluations

Land and buildings (including land improvements) are recorded at their fair values, which are reviewed each year to ensure they are materially correct. Significant land and buildings are specifically revalued once every five years, or whenever volatility is detected, and their values are adjusted for indexation in the interim years. Refer Note 18.

Reflecting the specialised nature of health service buildings, fair value is determined using the depreciated replacement cost methodology. Depreciated replacement cost represents how much it would cost to replace the 'service potential' remaining in an existing asset. This requires identification of the full cost of a replacement asset, adjusted to take account of the age and condition of the existing asset. The cost of a replacement asset is determined by reference to a modern equivalent asset, built to current standards and with modern materials.

In assessing the condition of a building the following ratings are applied by the valuers:

| Category | Condition | Description |
|----------|--|--|
| 1 | Very good condition | Only normal maintenance required |
| 2 | Minor defects only | Minor maintenance required |
| 3 | Maintenance required to bring to acceptable level of service | Significant maintenance required (up to 50 per cent of capital replacement cost) |
| 4 | Requires renewal | Complete renewal of internal fitout and services (up to 70 per cent of capital replacement cost) |
| 5 | Asset unserviceable | Complete asset replacement required |

The department's land and buildings are independently and professionally valued by the State Valuation Service (qualified valuers) and Davis Langdon (qualified quantity surveyors) respectively.

During the year, the department also revalued significant, newly commissioned assets to ensure they were transferred to HHSs at fair value. Where a revaluation increment is recognised in relation to transferred assets which is material in the context of the asset class, the portion of the Asset revaluation surplus relating to the increment is reclassified to Retained surpluses.

Revaluation increments increase the asset revaluation surplus of the asset class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. Revaluation decrements are recognised as expenses where they exceed the balance of the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis. Annual depreciation is based on the cost or the fair value of the asset and the department's assessments of the remaining useful life of individual assets. Land is not depreciated. Assets under construction (work in progress) are not depreciated until they are ready for use.

The department's buildings have useful lives ranging from 8 to 60 years; for plant and equipment the useful life is between 3 and 44 years.

Leased property, plant and equipment

Operating lease payments are recognised as an expense in the period in which they are incurred.

Note 1. Significant accounting policies (continued)

1(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (that is, an exit price). Fair value is determined using observable and unobservable inputs.

Observable inputs are publicly available data relevant to the characteristics of the assets/liabilities being valued, such as published sales data for land and residential dwellings.

Unobservable inputs are data, assumptions and judgements not available publicly, but relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the department include subjective adjustments made to observable data to take account of the specialised nature of health service buildings, including historical and current construction contracts (and/or estimates of such costs), and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities of the department for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- level 1 - represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 - represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and
- level 3 - represents fair value measurements that are substantially derived from unobservable inputs.

Specific fair value information about the department's property, plant and equipment is disclosed in Note 19.

1(n) Intangible assets

Intangible assets are only recognised if their cost is equal to or greater than \$100,000. Intangible assets are recorded at cost, which is consideration plus costs incidental to the acquisition, less accumulated amortisation and impairment losses. Internally generated software cost includes all direct costs associated with development of that software. All other costs are expensed as incurred.

Intangible assets are amortised on a straight-line basis over their estimated useful life with a residual value of zero. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis. The useful life for the department's software ranges from 5 to 10 years.

Intellectual property

The department controls both registered intellectual property, in the form of patents, designs and trademarks, and other unregistered intellectual property, in the form of copyright. At the reporting dates these intellectual property assets do not meet the recognition criteria as their values cannot be measured reliably.

1(o) Impairment of non-current assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of impairment exists, the department determines the asset's recoverable amount (higher of value in use and fair value less costs to sell). Any amount by which the asset's carrying amount exceeds the recoverable amount is considered an impairment loss.

Note 1. Significant accounting policies (continued)

1(p) Arrangements for the provision of public infrastructure by other entities

The department has entered into a contractual arrangement with private sector entities for the construction and operation of the Sunshine Coast University Hospital (SCUH) on land owned by the department but controlled and recorded as an asset by the Sunshine Coast HHS. The public private partnership is being delivered by Exemplar Health, a consortium comprising Lend Lease (builder), Capella Capital, Siemens (financiers) and Spotless (facilities manager). Exemplar Health will design, construct, finance and commission SCUH and maintain it for 25 years after opening.

After 25 years, ownership of the SCUH will pass to the department and subsequently the Sunshine Coast HHS. This arrangement is classified as a 'Social' public private partnership.

The share of the construction costs contributed by the department is currently recognised as a works in progress asset. The construction costs borne by Exemplar Health will be recognised as a leased asset with a corresponding finance lease liability. The finance lease liability will be unwound over the service concession period as payments to Exemplar Health are made. The ongoing costs of construction and operating costs are disclosed within Note 28.

1(q) Trade and other payables

Payables are recognised for amounts to be paid in the future for goods and services received. Trade payables are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. The amounts are unsecured and normally settled within 60 days. Refer Note 25.

1(r) Financial instruments

The department holds financial instruments in the form of cash, call deposits, fixed rate deposits, loans, receivables and payables. The department does not enter into transactions for speculative purposes, or for hedging. Financial assets and financial liabilities are recognised in the Statement of financial position when the department becomes a party to the contractual provisions of the financial instrument. Other disclosures relating to the measurement and financial risk management of other financial instruments are included in Note 25.

Financial instruments are classified and measured as follows:

- cash and cash equivalents - held at fair value through profit or loss
- receivables - held at amortised cost
- loans to other entities - held at amortised cost
- payables - held at amortised cost
- quoted equity shares - held at fair value through profit or loss.

1(s) Employee benefits

Wages and salaries due but unpaid at reporting date are recognised in the Statement of financial position at current salary rates. As the department expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

Under the Queensland Government's Annual leave central scheme and Long service leave central scheme, levies are payable by the department to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. These levies are expensed in the period in which they are paid or payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly, in arrears. Non-vesting employee benefits, such as sick leave, are recognised as an expense when taken.

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. The QSuper scheme had defined benefit and defined contribution categories. Contributions are expensed in the period in which they are paid or payable and the department's obligation is limited to its contribution to QSuper.

The provisions for annual leave, long service leave and superannuation are reported on a whole-of-government basis pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Note 1. Significant accounting policies (continued)

1(t) Allocation of overheads to major departmental services

The revenues and expenses of the department's corporate services are allocated to departmental services on the basis of the services they primarily support and are included in the Statement of profit or loss and other comprehensive income by major services. Refer Note 2.

1(u) Insurance

Property and general losses above a \$10,000 threshold are insured through the Queensland Government Insurance Fund (QGIF). Health litigation payments above a \$20,000 threshold, and associated legal fees, are also insured through QGIF. Premiums are calculated by QGIF on a risk basis. The department pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

1(v) Service provided free of charge or for a nominal value

The department provides corporate services support to HHSs for no cost. Corporate services provided include payroll services, accounts payable services, accounts receivable services and taxation services. The fair value of these services is unable to be estimated reliably.

1(w) Contributed equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of-government changes, are adjusted to contributed equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

1(x) Goods and Services Tax and other similar taxes

Queensland Health is a state body, as defined under the *Income Tax Assessment Act 1936*, and is exempt from Commonwealth taxation, with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes recognised by the department.

1(y) Critical accounting judgement and key sources of estimation uncertainty

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

| | |
|--|---------|
| Property, plant and equipment | Note 18 |
| Loans and receivables (allowance for impairment) | Note 25 |

1(z) Other presentation matters

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. Amounts have been rounded to the nearest thousand dollars.

Note 1. Significant accounting policies (continued)

1(aa) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that are not yet mandatory were not early adopted by the department during 2014-15. The department is not permitted to early adopt accounting standards unless approved by Queensland Treasury.

AASB 1055 *Budgetary Reporting* became effective from reporting periods beginning on or after 1 July 2014. In response to this new standard, the department has included in these financial statements a comprehensive new note 'Budget vs actual comparison' (Note 34). This note discloses the department's original published budgeted figures for 2014-15 compared to actual results, with explanations of material variances, in respect of the department's Statement of comprehensive income, Statement of financial position, Statement of cash flows and major classes of administered income, expenses, assets and liabilities. For employee expenses, supplies and services and payments for property, plant and equipment, variances are deemed to be material where they exceed 5% of the budgeted figure. For all other significant line items, variances are deemed to be material where they exceed 10% of the budgeted figure. All variances exceeding \$10 million are also deemed to be material.

From reporting periods beginning on or after 1 July 2016, the department will need to comply with the requirements of AASB 124 *Related Party Disclosures*. This accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities, and relationships between parent and controlled entities. The department already discloses information about the remuneration expenses for key management personnel (refer Note 26) in compliance with requirements from Queensland Treasury. Therefore, the most significant implications of AASB 124 for the department's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-profit Public Sector Entities* amends AASB 13 *Fair Value Measurement* for reporting periods beginning on or after 1 July 2016, with early adoption permitted. The amendments provide relief from certain disclosures about fair values categorised as level 3 under the fair value hierarchy. Accordingly, the following disclosures for level 3 fair values will no longer be required: the disaggregation of certain gains/losses on assets reflected in the operating result; quantitative information about the significant unobservable inputs used in the fair value measurement; and a description of the sensitivity of the fair value measurement to changes in the unobservable inputs. As the amending standard was released in early July 2015, the department has not early adopted this relief in these financial statements, as per instructions from Queensland Treasury. However, the department will be early adopting this disclosure relief as from the 2015-16 reporting period.

AASB 15 *Revenue from Contracts with Customers* will become effective from reporting periods beginning on or after 1 January 2018. This standard contains much more detailed requirements for the accounting for certain types of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of the department's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that the department has received cash, but has not met its associated obligations (such amounts would be reported as a liability (unearned revenue) in the meantime). The department is yet to complete its analysis of current arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

AASB 9 *Financial Instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* will become effective from reporting periods beginning on or after 1 January 2018. The main impacts of these standards on the department are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the department's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value. The department will be required to reassess the way its financial assets are classified. However, the impact from these standards has not been assessed at this time.

There are no other standards effective for future reporting periods that are expected to have a material impact on the department.

Note 2. Major services, activities and other events

Major services

There are seven major health services delivered by the Queensland Health system. These reflect the department's planning priorities as articulated in the Department of Health Strategic Plan 2014-2018 and support investment decision making based on the health continuum. The identity and purpose of each service is summarised as follows:

Prevention, promotion, protection

Aims to prevent illness or injury, promote and protect good health and well-being of the population and reduce the health status gap between the most and least advantaged in the community.

Primary health care

Address health problems or established risk factors of individuals and small targeted groups by providing curative, promotional, preventative and rehabilitation services. The services include early detection and intervention services and risk factor management programs.

Ambulatory care

Aims to provide equitable access to quality emergency and outpatient services provided by Queensland's public hospitals and incorporate activities of Queensland public hospitals outpatient department as well as emergency medical services provided in the public hospital emergency departments.

Acute care

Aims to increase equity and access to high quality acute hospital services for patients on a Statewide basis and includes the provision of medical, surgical and obstetric service in Queensland hospitals.

Rehabilitation and extended care

Aims to improve the functional status of patients with an impairment or disability slow the progression of a person's health condition and assist them to maintain and better manage their health condition. This major departmental service predominantly targets the needs of people with long-term conditions that have chronic consequences.

Integrated mental health service

This major departmental service spans the health continuum through the provision of mental health promotion, community based illness prevention activities, acute mental health services, outpatient treatment and mental health support services as well as the extended treatment services provided through designated mental health units.

Queensland Ambulance Service

The Queensland Ambulance Service provides timely and quality ambulance services which meet the needs of the Queensland community and includes emergency and non-urgent patient care, routine pre-hospital patient care and casualty room services, patient transport, community education and awareness programs and community first aid training. The Queensland Ambulance Service continues to operate under its own corporate identity.

Activities and other events

Transfer of legal ownership of health service land and buildings to Hospital and Health Services

Since 1 July 2014, the legal title of health service land and buildings has been progressively transferring from the department to HHSs. As HHSs already controlled these assets through Deed of Lease arrangements, there was no material impact to the accounts of the department upon transfer. Buildings which are currently used by the department and reside on HHS land are leased back to the department by HHSs.

Legal title transfer was effected when both entities (the department and the HHS) had mutual confidence that the respective HHS has the capacity and capability to be effective asset managers.

During 2014-15, the Townsville, Metro South, Metro North, Sunshine Coast, West Moreton, Darling Downs, Gold Coast, and Cairns and Hinterland HHSs became the legal owners of their land and buildings. Remaining HHSs became legal owners effective 1 July 2015.

Department of Health
Notes to the financial statements
30 June 2015

Note 2. Major services, activities and other events (continued)

Treatment of the former Gold Coast Hospital site

Following the completion of the new Gold Coast University Hospital in September 2013, the former Gold Coast Hospital (GCH) was decommissioned and the building and land were transferred from the Gold Coast HHS to the department.

While it is intended that the value of the former GCH site will be realised through a sale of the cleared land, the site does not currently meet the accounting criteria for recognition as 'held for sale' and the anticipated proceeds of sale are not able to be reliably determined. As such, the land continues to be recognised at fair value by the department.

Note 3. Departmental services revenue

| | 2015 \$'000 | 2014 \$'000 |
|---|------------------------|------------------------|
| Budgeted departmental services appropriation | 8,971,194 | 8,109,547 |
| Transfers from other departments | - | 361,127 |
| Lapsed appropriation revenue for other services | (131,214) | (129,708) |
| Total appropriation revenue for services receipt | 8,839,980 | 8,340,966 |
| Less: Opening balance appropriation revenue receivable | (110,796) | (111,545) |
| Add: Closing balance appropriation revenue receivable | 112,313 | 110,796 |
| Add: Opening balance appropriation revenue payable | 191,814 | 120,452 |
| Less: Closing balance appropriation revenue payable | (334,550) | (191,814) |
| Appropriation revenue for services recognised in the Statement of profit or loss and other comprehensive income | <u>8,698,761</u> | <u>8,268,855</u> |
| | 2015 \$'000 | 2014 \$'000 |
| Reconciliation of payments from Consolidated Fund to equity adjustment | | |
| Budgeted equity adjustment appropriation | 924,342 | 1,109,633 |
| Transfers from Queensland Ambulance Service | - | 1,670 |
| Lapsed appropriation | (551,563) | (407,428) |
| Less: Appropriated equity withdrawal payable | (108,687) | (110,681) |
| Add: Appropriated equity injection receivable | 65,727 | 41,208 |
| Add: Opening balance appropriated equity withdrawal payable | 110,681 | - |
| Less: Opening balance appropriated equity injection receivable | (41,208) | - |
| Equity adjustment recognised in contributed equity | <u>399,292</u> | <u>634,402</u> |

Appropriation returned for the 2014-15 financial year amounted to \$334.5 million (\$191.8 million in 2013-14). Revenue appropriations are received on the basis of budget estimates and various activity-specific agreements. The funding received may be more than the associated expenditure over the financial year due to operating efficiencies, changes in activity levels or timing differences. Any unspent appropriation may be returned to Queensland Treasury and may become available for re-appropriation as new funding in subsequent years.

Note 4. User charges

| | 2015 \$'000 | 2014 \$'000 |
|----------------------------|------------------------|------------------------|
| Sale of goods and services | 1,146,450 | 1,060,828 |
| Hospital fees | 350,094 | 335,941 |
| Rental income | 7,975 | 7,519 |
| | <u>1,504,519</u> | <u>1,404,288</u> |

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Note 5. Labour recoveries

| | 2015 | 2014 |
|--|------------------|------------------|
| | \$'000 | \$'000 |
| Labour recoveries from non-prescribed Hospital and Health Services | <u>1,699,905</u> | <u>6,761,350</u> |

Hospital and Health Services prescribed as employers

Children's Health Queensland, Gold Coast, Metro North, Metro South, North West, Sunshine Coast, Townsville and West Moreton HHSs were prescribed as employers on 1 July 2014. The decision on when the remaining HHSs will become prescribed has been postponed until towards the end of the 2015-16 financial year. Employee-related costs for HHSs prescribed as employers are recognised by the employing HHS (not the department) from 1 July 2014.

Senior medical officer and visiting medical officer contracts

Effective 4 August 2014, senior medical officers and visiting medical officers transitioned to individual employment contracts. Under individual contracts, senior doctors have a direct employment relationship with their HHS. Employee-related costs for contracted senior medical officers and visiting medical officers are recognised by the employing HHS (not the department) from the date the contracts are effective.

Note 6. Grants and other contributions

| | 2015 | 2014 |
|--|------------------|------------------|
| | \$'000 | \$'000 |
| Australian Government - National Health Pool Funding | 3,220,762 | 2,870,448 |
| Capital contributions - Centre for Children's Health Research* | 45,000 | - |
| Australian Government - Donated inventory | 24,863 | 23,616 |
| Other grants | 10,320 | 27,446 |
| Donations non-current physical assets | 2,394 | 3,026 |
| Other | <u>2,350</u> | <u>1,165</u> |
| | <u>3,305,689</u> | <u>2,925,701</u> |

*The department recognised \$45 million in 2014-15 relating to capital contributions received from third parties to fund the construction of the Centre for Children's Health Research (CCHR). In the prior year, these contributions had been recognised as unearned rental income. The previous accounting treatment was revised due to the transfer of the CCHR to Children's Health Queensland HHS.

Note 7. Other revenue

| | 2015 | 2014 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Recoveries and reimbursements | 14,374 | 22,090 |
| Interest | 6,186 | 4,749 |
| Grants returned | 5,511 | 2,496 |
| Licences and registration charges | 3,591 | 3,151 |
| Sale proceeds of non-capitalised assets | 143 | 32 |
| Pay day loan fair value adjustment | - | 1,628 |
| Other | <u>3,262</u> | <u>1,607</u> |
| | <u>33,067</u> | <u>35,753</u> |

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Note 8. Employee expenses

| | 2015 \$'000 | 2014 \$'000 |
|---------------------------------------|------------------------------|------------------------------|
| Wages and salaries | 2,232,014 | 6,041,536 |
| Employer superannuation contributions | 239,232 | 630,648 |
| Annual leave expense | 262,001 | 713,574 |
| Long service leave levy | 46,744 | 129,447 |
| Redundancies | 3,785 | 86,808 |
| Workers' compensation premium | 9,930 | 90,435 |
| Payroll tax* | - | 49,246 |
| Professional development of nurses | 10,630 | 34,174 |
| Other employee related expenses | 16,652 | 16,924 |
| | 2,820,988 | 7,792,792 |

*Effective from 1 July 2014, Queensland Government departments and shared service providers are exempt from payroll tax.

| | 2015 | 2014 |
|---|---------------|---------------|
| Number of employees | | |
| Hospital and Health Services* | 16,691 | 59,896 |
| The Department of Health Statewide Services | 9,722 | 8,595 |
| The Department of Health Corporate | 739 | 1,829 |
| | 27,152 | 70,320 |

The number of employees includes full-time employees and part-time employees measured on a full-time equivalent basis as at 30 June 2015. Key management personnel are reported in Note 26.

*Number of employees for Hospital and Health Services refers to staff working for non-prescribed HHSs. These staff were employed directly by the department. This number has decreased due to a number of HHSs being prescribed as employers from 1 July 2014.

Note 9. Supplies and services

| | 2015 \$'000 | 2014 \$'000 |
|--------------------------------------|------------------------------|------------------------------|
| Drugs | 353,780 | 341,742 |
| Clinical supplies and services | 191,763 | 147,435 |
| Consultants and contractors | 153,144 | 157,846 |
| Expenses relating to capital works | 125,716 | 82,977 |
| Repairs and maintenance | 118,594 | 111,089 |
| Operating lease rentals | 63,062 | 62,736 |
| Computer services | 58,868 | 83,528 |
| Communications | 49,687 | 46,143 |
| Advertising | 20,012 | 12,904 |
| Catering and domestic supplies | 16,322 | 7,962 |
| Queensland Ambulance service charges | 13,627 | 10,547 |
| Motor vehicles | 11,279 | 9,019 |
| Electricity and other energy | 9,757 | 9,202 |
| Other travel | 8,348 | 7,581 |
| Building services | 7,344 | 6,582 |
| Ambulance transport levy | 4,302 | 3,126 |
| Water | 1,317 | 1,327 |
| Other | 24,622 | 24,849 |
| | 1,231,544 | 1,126,595 |

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Note 10. Health services

| | 2015 \$'000 | 2014 \$'000 |
|--------------------------------|------------------------------|------------------------------|
| Hospital and Health Services | 9,978,573 | 9,162,866 |
| Mater Hospitals | 429,731 | 517,518 |
| National Blood Authority | 102,015 | 99,021 |
| Aeromedical services | 87,728 | 74,575 |
| Mental health services | 76,976 | 66,194 |
| Community health services | 76,950 | 60,636 |
| Indigenous Health Services* | 26,592 | 27,700 |
| Other health service providers | 21,546 | 15,662 |
| Ambulance services** | - | 17,452 |
| | <u>10,800,111</u> | <u>10,041,624</u> |

*Indigenous Health Services is a new category of Health Services expenditure for the 2014-15 financial statements. During 2013-14, this expenditure was primarily recorded within the 'Community health services' category. The 2013-14 'Community health services' and 'Indigenous Health Services' balances have been restated for comparability.

**The 2013-14 balance represents payments made to Queensland Ambulance Service, prior to it transferring to the department as a result of a machinery-of-government change effective 1 October 2013.

Note 11. Grants and subsidies

| | 2015 \$'000 | 2014 \$'000 |
|---|------------------------------|------------------------------|
| Medical research programs | 26,118 | 26,602 |
| Public hospital support services | 15,450 | 31,581 |
| Mental health services | 50 | 494 |
| Home, community and rural health services | 10 | 12,130 |
| Other | 14,165 | 18,693 |
| | <u>55,793</u> | <u>89,500</u> |

Note 12. Other expenses

| | 2015 \$'000 | 2014 \$'000 |
|---|------------------------------|------------------------------|
| Insurance | 108,126 | 104,856 |
| Losses from disposal/transfer of non-current assets | 25,675 | 3,779 |
| Impairment of capital work in progress | 22,240 | 79,733 |
| Impairment of software work in progress | 21,258 | 9,500 |
| Journals and subscriptions | 7,631 | 6,915 |
| Other legal costs | 3,754 | 3,523 |
| External audit fees* | 1,358 | 1,375 |
| Other audit fees | 326 | 638 |
| Losses - public monies | 3 | 4 |
| Special payments - ex-gratia payments** | 314 | 2,788 |
| Inventory written off | 148 | 912 |
| Other | 2,022 | 6,981 |
| | <u>192,855</u> | <u>221,004</u> |

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Note 12. Other expenses (continued)

*Total audit fees relating to the Queensland Audit Office for the 2014-15 financial year are \$1.4 million (\$1.4 million in 2013-14). This balance is inclusive of \$0.6 million relating to an engagement to provide assurance on controls at the department in its capacity as a service organisation for HHSs.

**During 2014-15, there were three special payments exceeding \$5,000. Of these, two related to legal settlements and one was a payment to former property owners as part of a site acquisition.

Note 13. Current assets - cash and cash equivalents

| | 2015 \$'000 | 2014 \$'000 |
|--------------------------|------------------------|------------------------|
| Cash at bank and on hand | 182,732 | (170,634) |
| 24 hour call deposits | 12,621 | 12,840 |
| Fixed rate deposit | 20,000 | 20,000 |
| | <u>215,353</u> | <u>(137,794)</u> |

The department's operational bank accounts are grouped within the whole-of-government set-off arrangement with the Queensland Treasury Corporation. The department does not earn interest on surplus funds and is not charged interest or fees for accessing its approved cash overdraft facility as it is part of the whole-of-government banking arrangements. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund. Included within Cash at bank and on hand is an amount of (\$176.3) million representing the fortnightly payroll payment, with payment instructions finalised for this payment at 30 June 2015 and the associated cash leaving the department's bank account on 1 July 2015.

The 24 hour call deposits relates to the department's General Trust balance. This balance is currently invested with Queensland Treasury Corporation with approval from the Treasurer, which acknowledges the department's obligations to maintain sound cash management and investment processes regarding General Trust Funds. For the 2014-15 year, the weighted average interest rate on the 24 hour call deposit was 2.95 per cent (3.47 per cent in 2013-14). The fixed rate deposit is held with Queensland Treasury Corporation, with known receipts and fixed maturity dates. The department has the ability and intention to continue to hold the deposit until maturity as the interest earned contributes towards the Queensland Government's objective of promoting high quality health research. During the 2014-15 year, the weighted average interest rate on this deposit was 2.73 per cent (2.76 per cent in 2013-14).

Note 14. Current assets - loans and receivables

| | 2015 \$'000 | 2014 \$'000 |
|---|------------------------|------------------------|
| Trade receivables | 405,207 | 720,993 |
| Payroll receivables | 35,069 | 36,523 |
| | <u>440,276</u> | <u>757,516</u> |
| Less: Pay day loan fair value adjustment | (2,252) | (2,524) |
| Less: Allowance for impairment of receivables | (2,217) | (1,413) |
| | <u>(4,469)</u> | <u>(3,937)</u> |
| GST input tax credits receivable | 43,831 | 42,522 |
| GST payable | (263) | (1,646) |
| | <u>43,568</u> | <u>40,876</u> |
| Appropriation receivable | 178,040 | 152,004 |
| Annual leave reimbursements | 177,050 | 163,473 |
| Grants receivable | 123,199 | - |
| Long service leave reimbursements | 27,115 | 28,135 |
| Advances | 7,645 | 7,559 |
| Other | 92 | 121 |
| | <u>992,516</u> | <u>1,145,747</u> |

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Note 15. Current assets - inventories

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Medical supplies and drugs | 50,725 | 48,309 |
| Catering and domestic | 1,271 | 1,298 |
| Less: Allowance for loss of service potential | (313) | (1,109) |
| | <u>51,683</u> | <u>48,498</u> |
| Engineering | 1,933 | 1,728 |
| Other | 1,136 | 1,135 |
| | <u>54,752</u> | <u>51,361</u> |

Note 16. Current assets - other assets

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------|----------------|----------------|
| Insurance premium prepayment | 112,991 | 104,993 |
| Other prepayments | 65,920 | 25,483 |
| Quoted equity shares | - | 254 |
| | <u>178,911</u> | <u>130,730</u> |

Note 17. Non-current assets - loans and receivables

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Payroll receivables | 125,173 | 146,343 |
| Less: Pay day loan fair value adjustment | (8,236) | (10,603) |
| Less: Allowance for impairment of receivables | (29,627) | (33,247) |
| | <u>87,310</u> | <u>102,493</u> |
| Loans to other entities | 24,208 | 23,055 |
| | <u>111,518</u> | <u>125,548</u> |

Loans to other entities refers to an interest-free loan to Telstra relating to the relocation of the South Brisbane Telephone Exchange in connection with the development of the Lady Cilento Children's Hospital (LCCH). This loan is repayable within the 2018-19 financial year.

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Note 18. Non-current assets - property, plant and equipment

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------------|-------------------------|-------------------------|
| Land at fair value | 163,251 | 242,090 |
| Buildings at independent valuation | 748,977 | 776,923 |
| Less: Accumulated depreciation | (408,390) | (403,675) |
| | <u>340,587</u> | <u>373,248</u> |
| Plant and equipment at cost | 682,540 | 665,829 |
| Less: Accumulated depreciation | (442,114) | (408,897) |
| | <u>240,426</u> | <u>256,932</u> |
| Capital works in progress at cost | 641,861 | 1,837,675 |
| | <u><u>1,386,125</u></u> | <u><u>2,709,945</u></u> |

| | Land \$'000 | Buildings \$'000 | Plant and equipment \$'000 | Capital works in progress \$'000 | Total \$'000 |
|--|------------------------|-----------------------------|---|---|-------------------------|
| Balance at 1 July 2013 | 90,239 | 131,692 | 214,212 | 2,993,852 | 3,429,995 |
| Additions/donations | 4,397 | 4,868 | 42,384 | 948,229 | 999,878 |
| Disposals | (454) | (5,980) | (2,665) | - | (9,099) |
| Revaluation increments | 2,073 | 10,262 | - | - | 12,335 |
| Transfers in regarding QAS MOG | 110,300 | 202,248 | 74,600 | 22,122 | 409,270 |
| Transfers in/(out) | 49,371 | 20,604 | (24,167) | (1,964,945) | (1,919,137) |
| Write off of capital works in progress | - | - | - | (87,765) | (87,765) |
| Transfers between classes | 13,600 | 27,611 | 31,696 | (73,818) | (911) |
| Transfers to held for sale | (27,436) | (3,783) | - | - | (31,219) |
| Depreciation expense | - | (14,274) | (79,128) | - | (93,402) |
| Balance at 30 June 2014 | 242,090 | 373,248 | 256,932 | 1,837,675 | 2,709,945 |
| Additions | - | 707 | 64,082 | 671,276 | 736,065 |
| Disposals | (2,567) | (1,151) | (3,679) | - | (7,397) |
| Revaluation increments/(decrements) | (9,539) | 100 | - | - | (9,439) |
| Transfers to HHSs | (23,990) | 33,954 | (26,170) | (1,783,191) | (1,799,397) |
| Transfers to DHPW | (42,318) | (79,283) | - | - | (121,601) |
| Donations received | - | 2,384 | 10 | - | 2,394 |
| Donations made | (796) | (22,647) | (19) | - | (23,463) |
| Write off of capital works in progress | - | - | - | (7,168) | (7,168) |
| Transfers between classes | 371 | 48,884 | 27,476 | (76,731) | - |
| Stocktake adjustments | - | - | (75) | - | (75) |
| Transfers to held for sale | - | - | - | - | - |
| Depreciation expense | - | (15,609) | (78,131) | - | (93,739) |
| Balance at 30 June 2015 | <u>163,251</u> | <u>340,587</u> | <u>240,426</u> | <u>641,861</u> | <u>1,386,125</u> |

Note 18. Non-current assets - property, plant and equipment (continued)

The department recognises land valued at \$0.7 million (\$0.7 million in 2013-14) which is owned by third parties and leased to the department under various agreements. The department has restricted use of this land.

Included in the valuation of buildings are 5 heritage buildings held at gross value of \$2.7 million (six buildings at gross value of \$3.4 million in 2013-14).

Land

In 2014-15, land which was not comprehensively revalued was indexed using rates ranging from 0.35 to 1.4. Indices are based on actual market movements for the relevant location and asset category.

The fair value of land was based on publicly available data including sales of similar land in nearby localities in the six months prior to the date of revaluation. In determining the values, adjustments were made to the sales data to take into account the location of department's land, its size, street/road frontage and access and any significant factors such as land zoning and easements. Land zonings and easements indicate the permissible use and potential development of the land. The extent of the adjustments made varies in significance for each parcel of land.

The revaluation program resulted in a \$9.5 million decrement (\$2.1 million increment in 2013-14) to the carrying amount of land.

Buildings

An independent revaluation of 1 per cent of the gross value of the building portfolio was performed during 2014-15. For buildings not subject to independent revaluations during 2014-15, an index of 1 per cent was applied. Indices are based on inflation across the industry and take into account regional variances due to specific market conditions. The buildings valuations for 2014-15 resulted in a net increment to the department's building portfolio of \$0.1 million (\$10.2 million increment in 2013-14).

Plant and Equipment

The department has plant and equipment with an original cost of \$39.2 million (\$34.3 million in 2013-14) or 6 per cent (5 per cent in 2013-14) of total plant and equipment gross value and a written down value of 0 still being used in the provision of services.

Capital work in progress

The department is responsible for managing major health infrastructure projects for the HHSs. During the construction phase these projects remain on the department's Statement of financial position as a work in progress asset. Upon completion of these infrastructure projects, these assets are transferred to the respective HHS for use and depreciation. Current works in progress balances are attributable across the portfolio of capital works and include the Sunshine Coast University Hospital (SCUH).

The department has entered into varied contractual arrangements with private sector entities for the construction and in some cases, the operation of public infrastructure facilities for a period of time. Refer Note 28.

Level 3 significant valuation inputs and relationship to fair value

The fair value of buildings is computed by quantity surveyors using a methodology known as the Depreciated Replacement Cost valuation technique. The following table highlights the key unobservable (Level 3) inputs assessed during the valuation process and the relationship to the estimated fair value.

Note 18. Non-current assets - property, plant and equipment (continued)

| Description | Significant unobservable inputs | Unobservable inputs quantitative measures | Unobservable inputs - general effect on fair value measurement |
|-------------|-------------------------------------|---|---|
| | Ranges used in valuations | | |
| Buildings | Replacement cost estimates | \$410,000 to \$2,480,000 | Replacement cost is based on tender pricing and historical building cost data. An increase in the estimated replacement cost would increase the fair value of the assets. A decrease in the estimated replacement cost would reduce the fair value of the assets. |
| | Remaining lives estimates | 17 years to 36 years | The remaining useful lives are based on industry benchmarks. An increase in the estimated remaining useful lives would increase the fair value of the assets. A decrease in the estimated remaining useful lives would reduce the fair value of the assets. |
| | Costs to bring to current standards | \$ Nil to \$600,000 | Costs to bring to current standards are based on tender pricing and historical building cost data. An increase in the estimated costs to bring to current standards would reduce the fair value of the assets. A decrease in the estimated costs to bring to current standards would increase the fair value of the assets. |
| | Condition rating | 1 to 3 | The condition rating is based on the physical state of the assets. An improvement in the condition rating (possible high of 1) would increase the fair value of the assets. A decline in the condition rating (possible low of 5) would reduce the fair value of the assets. |

For further information on Condition Ratings refer to Note 1 Significant accounting policies (I) Property, plant and equipment.

The use of alternative, suitable measures for each unobservable input would not materially impact fair value.

The condition rating of an asset is used as a mechanism to determine the cost to bring to current standards and also to estimate the remaining life.

There are no other direct or significant relationships between the unobservable inputs which materially impact fair value.

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Note 19. Fair value measurement

Categorisation of fair values hierarchy

| | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---------------|-------------------|-------------------|-----------------|
| 2015 | | | |
| <i>Assets</i> | | | |
| Land | 163,251 | - | 163,251 |
| Buildings | - | 340,587 | 340,587 |
| Total assets | 163,251 | 340,587 | 503,838 |

There were no transfers between levels during the financial year. Information about the department's property, plant and equipment is disclosed in Note 1 and Note 18.

Categorisation of fair values hierarchy

| | Level 2 \$'000 | Level 3 \$'000 | Total \$'000 |
|---------------|-------------------|-------------------|-----------------|
| 2014 | | | |
| <i>Assets</i> | | | |
| Land | 242,090 | - | 242,090 |
| Buildings | - | 373,248 | 373,248 |
| Total assets | 242,090 | 373,248 | 615,338 |

Note 20. Non-current assets - intangibles

| | 2015 \$'000 | 2014 \$'000 |
|---------------------------------------|------------------------|------------------------|
| Software purchased at cost | 157,582 | 156,976 |
| Less: Accumulated amortisation | (111,905) | (103,238) |
| | 45,677 | 53,738 |
| Software internally generated at cost | 272,031 | 268,882 |
| Less: Accumulated amortisation | (226,057) | (212,625) |
| | 45,974 | 56,257 |
| Software work in progress at cost | 132,485 | 121,988 |
| | 224,136 | 231,983 |

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Note 20. Non-current assets – intangibles (continued)

| | Software purchased \$'000 | Software generated \$'000 | Software work in progress \$'000 | Total \$'000 |
|--|---------------------------------|---------------------------------|--|-----------------|
| Balance at 1 July 2013 | 57,043 | 48,383 | 124,435 | 229,861 |
| Additions | 5,556 | 5,209 | 36,982 | 47,747 |
| Disposals | - | (272) | - | (272) |
| Write off of software work in progress | - | - | (1,468) | (1,468) |
| Transfers to HHSs | - | (910) | (16,002) | (16,912) |
| Transfer between classes | 56 | 22,814 | (21,959) | 911 |
| Amortisation expense | (8,917) | (18,967) | - | (27,884) |
| Balance at 30 June 2014 | 53,738 | 56,257 | 121,988 | 231,983 |
| Additions | 425 | 295 | 35,283 | 36,003 |
| Write off of software work in progress | - | - | (18,385) | (18,385) |
| Transfers to HHSs | - | (617) | - | (617) |
| Transfer between classes | 283 | 6,118 | (6,401) | - |
| Amortisation expense | (8,769) | (16,078) | - | (24,848) |
| Balance at 30 June 2015 | <u>45,677</u> | <u>45,974</u> | <u>132,485</u> | <u>224,136</u> |

The department's Hospital Based Corporate Information System (HBCIS) and Finance System (FAMMIS) have a total combined original cost of \$25.3 million. Both systems have been written down to zero and are still being used in the provision of services.

Note 21. Current liabilities - payables

| | 2015 \$'000 | 2014 \$'000 |
|--------------------------------------|------------------------|------------------------|
| Trade payables | 296,798 | 357,473 |
| Appropriations payable | 443,238 | 302,495 |
| Hospital and Health Service payables | 186,862 | 22,009 |
| Other payables | 10,814 | 16,513 |
| | <u>937,712</u> | <u>698,490</u> |

Note 22. Current liabilities - accrued employee benefits

| | 2015 \$'000 | 2014 \$'000 |
|-------------------------------------|------------------------|------------------------|
| Annual leave levy payable | 195,182 | 166,793 |
| Other employee entitlements payable | 120,548 | 137,097 |
| Salaries and wages accrued | 73,813 | 203,728 |
| Long service leave levy payable | 39,979 | 37,481 |
| | <u>429,522</u> | <u>545,099</u> |

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Note 23. Equity - asset revaluation surplus

| | 2015 \$'000 | 2014 \$'000 |
|---------------------------------------|------------------------|------------------------|
| Asset revaluation surplus - land | 44,450 | 53,989 |
| Asset revaluation surplus - buildings | 33,408 | 33,308 |
| | <u>77,858</u> | <u>87,297</u> |

| | Land \$'000 | Buildings \$'000 | Total \$'000 |
|---|------------------------|-----------------------------|-------------------------|
| Balance at 1 July 2013 | 52,963 | 25,286 | 78,249 |
| Asset revaluation increment | 1,026 | 8,022 | 9,048 |
| Balance at 30 June 2014 | 53,989 | 33,308 | 87,297 |
| Asset revaluation increment/(decrement) | (9,539) | 100 | (9,438) |
| Balance at 30 June 2015 | <u>44,450</u> | <u>33,408</u> | <u>77,858</u> |

Note 24. Reconciliation of surplus to net cash from operating activities

| | 2015 \$'000 | 2014 \$'000 |
|--|------------------------|------------------------|
| Surplus for the year | 17,860 | 4,811 |
| Adjustments for: | | |
| Depreciation and amortisation | 118,581 | 121,282 |
| Write off of non-current assets | 47,727 | 85,843 |
| Net (gain)/loss on disposal of non-current assets | 24,010 | 2,878 |
| Share of loss - associates | 1,177 | 1,162 |
| Other non-cash items | (3,296) | - |
| Donated non-cash assets | (29,606) | (28,757) |
| Non cash depreciation funding expense | 485,820 | 390,100 |
| Change in assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | 54,356 | (90,184) |
| (Increase)/decrease in inventories | 26,683 | 30,192 |
| (Increase)/decrease in prepayments | (51,610) | 17,864 |
| Increase/(decrease) in trade and other payables | 294,810 | (4,243) |
| Increase/(decrease) in other employee benefits | (115,577) | (66,108) |
| Increase/(decrease) in unearned revenue | (17,482) | 15,283 |
| Net cash from operating activities | <u>853,453</u> | <u>480,123</u> |

Note 25. Financial instruments

Financial risk is managed in accordance with Queensland Government and departmental policies. The department has considered the following types of risks in relation to financial instruments.

Liquidity risk - this risk is minimal, as the department has an approved debit facility of \$520.0 million under whole-of-government banking arrangements to manage any cash shortfalls.

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Note 25. Financial instruments (continued)

Market risk (interest rate risk) - the department has interest rate exposure on its cash and fixed rate deposits. Changes in interest rates have a minimal effect on the operating results of the department.

Credit risk - the credit risk to deposits is minimal as all department deposits are held by the state through Queensland Treasury Corporation and the Commonwealth Bank of Australia. The department's maximum exposure to credit risk is the total carrying amount of receivables.

Payroll receivables

As at 30 June 2015, the department recognised \$74.9 million (\$85.7 million in 2013-14) relating to salary overpayments and interim cash payments, of which \$24.1 million is classified as current and \$50.8 million is classified as non-current.

The department is undertaking a process to recover these debts by working with the individuals affected. The non-current portion of payroll overpayments and interim cash payments has not been discounted to present value as this could not be reliably estimated, due to the uncertainty of the timing of future cash receipts.

Employee loans

As at 30 June 2015, the department recognised a pay date loan of \$85 million (\$96.9 million in 2013-14) to provide a transitional loan equal to two weeks' net pay (of which \$10.5 million is classified as current and \$74.5 million is classified as non-current).

As the loan was interest-free for employees, the department recognised a loan discount expense of \$17.7 million in the year the loan was issued (2012-13) to account for the time value of money. The loan is considered to be low risk of non-repayment as it is legislatively recoverable from recipients upon termination of their employment with the department. The loan is expected to be recovered over the next 10 years.

Quoted equity shares

At 30 June 2014, the department held various parcels of shares which have since been sold. The fair value of the shares was based on the selling prices quoted on 30 June 2014 by the Australian Stock Exchange.

Impairment of financial assets

At the end of each reporting period, the department assesses whether there is objective evidence that a financial asset, or group of financial assets, is impaired. Objective evidence includes financial difficulties of the debtor, changes in debtor credit ratings and current outstanding accounts over 60 days. The allowance for impairment reflects the department's assessment of the credit risk associated with receivables balances and is determined based on consideration of objective evidence of impairment, past experience and management judgment.

An allowance for impairment of \$29.6 million (\$30.4 million in 2013-14) has been recognised in relation to payroll receivables. The due date of payroll receivables is the date the recipient terminates employment with the department. The balance of payroll receivables past due, but not impaired, of \$2.8 million (\$2.9 million in 2013-14) represents balances owing from current and former employees which are considered likely to be recovered. In determining this balance, consideration was given to the value, quantity and age of the amounts receivable.

Movements in the provision for impairment of receivables are as follows:

| | 2015 | 2014 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Opening balance | 34,660 | 37,585 |
| Increase/(decrease) in allowance recognised in operating result | (2,816) | (2,925) |
| Closing balance | <u>31,844</u> | <u>34,660</u> |

Note 25. Financial instruments (continued)

Ageing of financial assets past due but not impaired

| | Less than 30 days \$'000 | 30-60 days \$'000 | 61-90 days \$'000 | More than 90 days \$'000 | Total \$'000 |
|---------------------------|--------------------------------|-------------------------|-------------------------|--------------------------------|-----------------|
| 2015 | | | | | |
| Past due but not impaired | 15,643 | 551 | 1,197 | 6,825 | 24,215 |

| | Less than 30 days \$'000 | 30-60 days \$'000 | 61-90 days \$'000 | More than 90 days \$'000 | Total \$'000 |
|---------------------------|--------------------------------|-------------------------|-------------------------|--------------------------------|-----------------|
| 2014 | | | | | |
| Past due but not impaired | 7,425 | 1,174 | 29 | 10,287 | 18,915 |

Ageing of impaired financial assets

| | Not overdue \$'000 | Less than 30 days \$'000 | 30-60 days \$'000 | 61-90 days \$'000 | More than 90 days \$'000 | Total \$'000 |
|--|--------------------------|--------------------------------|-------------------------|-------------------------|--------------------------------|-----------------|
| 2015 | | | | | | |
| Impaired receivables | 17,540 | - | 2 | 8 | 51,175 | 68,725 |
| Allowance for impairment | (3,683) | - | (2) | (8) | (28,151) | (31,844) |
| Carrying amount of impaired receivables | 13,856 | - | - | - | 23,024 | 36,880 |

| | Not overdue \$'000 | Less than 30 days \$'000 | 30-60 days \$'000 | 61-90 days \$'000 | More than 90 days \$'000 | Total \$'000 |
|--|--------------------------|--------------------------------|-------------------------|-------------------------|--------------------------------|-----------------|
| 2014 | | | | | | |
| Impaired receivables | 21,267 | - | 40 | 22 | 33,011 | 54,340 |
| Allowance for impairment | (4,466) | - | (40) | (22) | (30,132) | (34,660) |
| Carrying amount of impaired receivables | 16,801 | - | - | - | 2,879 | 19,680 |

Note 26. Key management personnel disclosures

Key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2014-15. Further information on these positions can be found in the body of the Annual Report under the section relating to executive management.

Note 26. Key management personnel disclosures (continued)

| Position | Responsibilities | Contract classification and appointment authority |
|--|---|--|
| Director-General | Responsible for the overall management of the department through major functional areas to ensure the delivery of key government objectives in improving the health and well-being of all Queenslanders. | S92 Contract/CEO Governor in Council/(Public Service Act 2008 – appointed by the Premier with the role classification being CEO) |
| Deputy Director-General, Health Service and Clinical Innovation Division | Lead the development of policy, strategy and clinical workforce development to meet current and future health challenges. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Deputy Director-General, Health Commissioning Queensland | Lead and manage the functions relating to accountability and governance across Queensland Health. Responsible for developing governance, strategic planning and performance management frameworks. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Deputy Director-General, Office of the Director-General | Responsible for providing strategic direction and authoritative advice to the Director-General and Department on a range of services, functions and programs to achieve improvements in performance, quality of outcomes and service delivery across DoH and the public health system. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Health Officer, Health Service and Clinical Innovation Division | Lead and manage the development of strategic policy, regulation, legislative frameworks and programs for public health function, including mental health, population health and health service regulation as well as the provision of advice to the Minister and government relating to emergencies such as pandemics, epidemics, or major disasters. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Finance Officer | Responsible for providing both strategic and operational leadership related to all financial management issues within the Department of Health. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Human Resources Officer | Responsible for providing strategic leadership in relation to all human resource matters across Queensland Health, including being the primary owner for the leadership and management of industrial issues. | s67 Contract/HES 3 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Legal Counsel | Manage the provision of quality and cost effective legal services across the Department of Health so that the Department's and the Minister's legal interests are appropriately protected. | s67 Contract/HES 2 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Nursing and Midwifery Officer, Health Service and Clinical Innovation Division | Responsible for the delivery of statewide support and coordination functions to assist Hospital and Health Services with nursing and midwifery matters that have whole of system implications. | s67 Contract/HES 3 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |
| Chief Executive Officer, Health Support Queensland | Responsible for managing the strategic functions relating to the Clinical and Statewide Service provided by Queensland Health including Pathology, Medication Services, Radiology, Forensic and Scientific Services, Biomedical Technology Services and Queensland Blood Management. | s67 Contract/HES 4 Chief Executive/(<i>Hospital and Health Boards Act 2011</i>) |

Note 26. Key management personnel disclosures (continued)

| Position | Responsibilities | Contract classification and appointment authority |
|--|---|--|
| Chief Health Information Officer, Health Services Information Agency | Responsible for providing strategic leadership in information management and the use of information and communications technology across the Queensland Health system. | s122 Contract/HES 4 equivalent Chief Executive/(Public Service Act 2008) |
| Chief Technology Officer, Health Services Information Agency | Responsible for all aspects of developing implementing and maintaining technology initiatives within the organisation, assuring high performance, consistency, reliability and scalability of all technology offerings. | S67 Contract/HES 4 Chief Executive/(Hospital and Health Boards Act 2011) |
| Commissioner, Queensland Ambulance Service | Responsible and accountable for the strategic direction and overall operations of the Queensland Ambulance Service. | HES 4 (Equivalent) Governor in Council (Ambulance Service Act 1991) |

Remuneration

Remuneration policy for the department's key management personnel is set by the Queensland Public Service Commission as provided for under the *Public Service Act 2008* and the *Hospital and Health Boards Act 2011*. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts. The contracts may provide for other benefits including a motor vehicle allowance.

For the 2014-15 year, the remuneration of key executive management personnel increased by 2.2 per cent in accordance with government policy. Remuneration packages for key executive management personnel comprise the following components:

- short-term employee benefits which include:
 - base salary, allowances and leave entitlements expensed for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of profit or loss and other comprehensive income
 - performance payments recognised as an expense during the year
 - non-monetary benefits - consisting of the provision of motor vehicles together with fringe benefit taxes applicable to other benefits
- long term employee benefits include long service leave accrued
- post-employment benefits include superannuation contributions
- termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination, regardless of the reason for termination.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

In the previous financial year, public service CEOs had part of their total remuneration package placed 'at risk' and paid only if they met or exceeded the agreed performance standards. The chief executive performance evaluation process comprised:

- reporting on end of year achievement and self-assessment by each CEO against their performance agreement/intended outcomes
- a rigorous, independent and objective assessment of the Director-General's performance at the end of the each financial year, culminating in recommendations to the Premier; and
- the Premier's ultimate discretion regarding whether the CEO would have been paid an At Risk Component payment and, if so, how much.

During 2014-15, the 'at risk' component was removed from remuneration packages.

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Note 26. Key management personnel disclosures (continued)

| 2015 | Short-term benefits | | Long-term expenses \$'000 | Post- employment expenses \$'000 | Termination benefits \$'000 | Total \$'000 |
|--|--------------------------------|--|---------------------------------|---|-----------------------------------|-----------------|
| Name and position | Monetary Expenses \$'000 | Non- monetary expenses \$'000 | | | | |
| Director-General, Ian Maynard (from 23 September 2013 to 24 March 2015)* | 504 | 12 | 10 | - | 244 | 770 |
| Acting Director-General, Professor Michael Cleary (from 14 February 2015 to 5 July 2015) | 145 | 2 | 3 | 16 | - | 166 |
| Deputy Director-General, Health Service and Clinical Innovation Division, Professional Michael Cleary (from 10 May 2010 to 13 February 2015) | 278 | 17 | 5 | 31 | - | 331 |
| Acting Deputy-Director General, Health and Clinical Innovation, Dr William Kingswell (from 14 February 2015 to present) | 171 | 2 | 3 | 11 | - | 187 |
| Deputy Director-General, Health Commissioning Queensland, Philip Davies (from 27 May 2013 to present) | 339 | 7 | 7 | 36 | - | 389 |
| Deputy Director-General, Office of the Director-General, William Brett (from 1 July 2014 to present) | 325 | 7 | 6 | 31 | - | 369 |
| Chief Health Officer, Health Service and Clinical Division, Dr Jeannette Young (from 14 November 2005 to present) | 483 | 19 | 9 | 49 | - | 560 |
| Chief Finance Officer, Malcolm Wilson (from 25 November 2013 to present) | 281 | 7 | 5 | 29 | - | 322 |
| Acting Chief Human Resources Officer, David Waters (from 1 September 2014 to present) | 172 | 4 | 3 | 17 | - | 196 |
| Chief Legal Counsel, Annette McMullan (from 21 October 2011 to present) | 198 | 8 | 4 | 20 | - | 230 |
| Chief Nursing and Midwifery Officer, Health Service and Clinical Innovation Division, Dr Frances Hughes (from 5 March 2012 to present) | 215 | 18 | 4 | 22 | - | 259 |

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Note 26. Key management personnel disclosures (continued)

| 2015 Name and position | Short-term benefits | | | Post-employment expenses \$'000 | Termination benefits \$'000 | Total \$'000 |
|---|-----------------------------|---------------------------------|------------------------------|------------------------------------|--------------------------------|-----------------|
| | Monetary Expenses \$'000 | Non-monetary expenses \$'000 | Long-term expenses \$'000 | | | |
| Acting Chief Executive Officer, Health Support Queensland, Susan Middleditch (from 28 April 2014 to present) | 314 | 10 | 6 | 33 | - | 363 |
| Chief Health Information Officer, Health Services Agency, Malcolm Thatcher (from 15 September 2014 to 30 June 2015) | 319 | 7 | 6 | 26 | - | 358 |
| Acting Chief Information Officer, Health Services and Information Agency, Paul Carroll (from 26 August 2014 to 16 January 2015) | 203 | 11 | 4 | 20 | - | 238 |
| Chief Technology Officer, Health Services Information Agency, Colin McCririck (from 12 January 2015 to present) | 161 | 3 | 3 | 17 | - | 184 |
| Commissioner, Queensland Ambulance Services, Russell Bowles (from 3 June 2011 to present) | 259 | 9 | - | 31 | - | 299 |

*The former Director-General Ian Maynard's short term benefits include performance payments ('at risk' components) of \$71,830.37 relating to the 2014-15 financial year and \$80,208 relating to the 2013-14 financial year.

The mutually agreed terms for the separating Director-General considered all relevant clauses of the contract of employment. The payment for the Director-General's separation was determined prior to 30 June 2015 and is included in the expenses for 2014-15.

Director-General Michael Walsh commenced on 6 July 2015.

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| 2014 | Short-term benefits | | Post- | Long-term | Termination | Total |
|--|---------------------|----------------------------|----------------------------------|--------------------|--------------------|--------|
| Name and position | Monetary \$'000 | Non- monetary \$'000 | employment benefits \$'000 | benefits \$'000 | benefits \$'000 | \$'000 |
| Director-General, Ian Maynard (from 23 September 2013 to 24 March 2015) | 432 | 4 | 19 | 9 | - | 464 |
| Director-General, Dr Anthony O'Connell (from 23 June 2011 to 22 September 2013) | 112 | 1 | 8 | 2 | 647 | 770 |
| Deputy Director-General, Health Service and Clinical Innovation Division, Professor Michael Cleary (from 10 May 2010 to present) | 382 | 16 | 48 | 9 | - | 455 |
| Deputy Director-General, System Policy and Performance, Philip Davies (from 27 May 2013 to present) | 326 | 5 | 37 | 8 | - | 376 |
| Deputy Director-General, System Support Services, Susan Middleditch (from 14 May 2012 to 27 April 2014) | 288 | 8 | 32 | 6 | - | 334 |
| Chief Health Officer, Dr Jeannette Young (from 14 November 2005 to present) | 478 | 9 | 54 | 11 | - | 552 |
| Chief Information Officer, Health Services Information Agency- Raymond Brown (from 2 June 2008 to 25 August 2014) | 296 | 8 | 33 | 7 | - | 344 |
| Acting Chief Executive Officer, Health Service Support Agency, Susan Middleditch (from 28 April 2014 to present) | 61 | - | 7 | 1 | - | 69 |
| Chief Executive Officer, Health Service Support Agency, Kathleen Byrne (from 2 June 2009 to 27 April 2014) | 283 | 6 | 30 | 6 | - | 325 |
| Commissioner, Queensland Ambulance Service, Russell Bowles (from 1 October 2013 to present) | 187 | - | 20 | 4 | - | 211 |

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Note 27. Contingencies

Guarantees and undertakings

As at 30 June 2015, the department held the following guarantees and undertakings from third parties in connection with capital projects. These amounts have not been recognised as assets in the financial statements.

| | 2015 \$'000 | 2014 \$'000 |
|------------|----------------|----------------|
| Guarantees | 105,552 | 111,149 |

Litigation in progress

At 30 June 2015, the department had 1 litigation case before the courts. As civil litigation is underwritten by the QGIF, the department's liability in this area is limited to \$20,000 per insurance event. The department's legal advisers and management believe it would be misleading to estimate the final amount payable (if any) in respect of litigation before the courts at this time.

Major capital projects

In the course of constructing major capital works including the LCCH, the Gold Coast University Hospital (GCUH) and the SCUH, the department entered into agreements which may give rise to possible obligations which are contingent on the occurrence or non-occurrence of uncertain future events (for example, government approvals and staff movements).

The department has agreed to certain compensation events with the car park operators at GCUH and SCUH (for example, failure to achieve forecast car park revenues, operational bed numbers or staff numbers) which may give rise to possible obligations. The occurrence of these future events is uncertain.

Note 28. Commitments for expenditure

Social public private partnership arrangements

On 17 July 2012, the department entered into contractual arrangements with Exemplar Health Partnership (Exemplar Health), a consortium comprising Lend Lease (building), Spotless (facilities manager), Capella Capital and Siemens (financiers) to design, construct, commission, maintain and partially finance the SCUH. Construction of the SCUH is scheduled for completion in November 2016.

The SCUH PPP includes a limited scope of operational support services that are closely linked to the hospital building and its systems, such as security, pest control and car parking services but does not include the provision of any clinical services. The co-located private hospital was designed, built and is being operated by Ramsay Health Care.

The department will lease back the SCUH from Exemplar Health and make lease payments as well as payments for the maintenance, refurbishment and other services to be provided by Exemplar Health over the term of the agreement.

The land is controlled by the Sunshine Coast HHS and Exemplar Health has been granted a licence that gives the consortium the right to enter and operate on the site. The SCUH indicative operating and capital cash outflows are as follows.

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------------|----------------|----------------|
| Cash outflows expected to be paid: | | |
| within one year | 331,686 | 357,878 |
| one year to five years | 282,612 | 547,783 |
| five years to 10 years | 410,408 | 396,265 |
| more than 10 years | 1,784,382 | 1,873,187 |
| Total | 2,809,088 | 3,175,113 |

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Note 28. Commitments for expenditure (continued)

| | 2015 \$'000 | 2014 \$'000 |
|---|------------------------------|------------------------------|
| <i>Capital commitments</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| <input type="checkbox"/> within one year | 88,527 | 752,528 |
| <input type="checkbox"/> one to five years | 14,686 | 72,225 |
| | <u>103,213</u> | <u>824,753</u> |
| <i>Lease commitments - operating</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| <input type="checkbox"/> within one year | 38,726 | 82,924 |
| <input type="checkbox"/> one to five years | 85,957 | 132,272 |
| <input type="checkbox"/> more than five years | 58,898 | 69,840 |
| | <u>183,581</u> | <u>285,036</u> |
| <i>Grants and other contributions</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| <input type="checkbox"/> within one year | 200,865 | 73,371 |
| <input type="checkbox"/> one to five years | 149,045 | 66,204 |
| | <u>349,910</u> | <u>139,575</u> |
| <i>Other commitments</i> | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| <input type="checkbox"/> within one year | 195,453 | 268,601 |
| <input type="checkbox"/> one to five years | 808,538 | 420,322 |
| <input type="checkbox"/> more than five years | 3,850 | 17,617 |
| | <u>1,007,841</u> | <u>706,540</u> |

Capital commitments include capital expenditure for the development of one new tertiary hospital and continuing redevelopment and refurbishment of existing hospitals and health care facilities. Capital projects are delivered under a partnering agreement between the department and the Department of Housing and Public Works. In addition to the time-banded information above, the department has committed future capital expenditure of \$32.2 million (2013-14: \$68.2 million).

Note 29. Restricted assets

The department receives cash contributions primarily from private practice clinicians, Pathology Queensland and from external entities to provide for education, study and research in clinical areas. Contributions are also received from benefactors in the form of gifts, donations and bequests and are held in trust for stipulated purposes.

| | 2015 \$'000 | 2014 \$'000 |
|----------------------|------------------------------|------------------------------|
| General trust | 12,749 | 13,134 |
| Clinical drug trials | 4 | 4 |
| | <u>12,754</u> | <u>13,138</u> |

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Note 30. Interests in associates

The *Translational Research Institute Pty Ltd* (the Company) was registered as an Australian propriety company, limited by shares, on 12 June 2009. The department is one of four founding shareholders, each holding 25 shares of \$1 per share in the Company. The Company does not trade and its sole purpose is to act as trustee of the Translational Research Institute Trust. There were no transactions recorded in this entity in the period 1 July 2014 to 30 June 2015. As the Company is a non-trading entity, it has not prepared financial statements for the financial year ended 30 June 2015.

The *Translational Research Institute Trust* (TRI Trust) was created as a Discretionary Unit Trust on 16 June 2009. The department is one of four founding members, each holding 25 units in the TRI Trust and equal voting rights. The objectives of the TRI Trust are to design, construct and maintain the Translational Research Institute Facility (TRI Facility); and operate and manage TRI Facility to promote medical study, research and education. Refer to Note 1(c) for further information.

Interests in associates are accounted for using the equity method of accounting. The summarised financial information of the TRI Trust is set out below.

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| <i>Summarised statement of financial position</i> | | |
| Current assets | 64,007 | 59,241 |
| Non-current assets | 290,928 | 297,009 |
| Total assets | 354,935 | 356,250 |
| Current liabilities | 7,549 | 3,218 |
| Non-current liabilities | 23,740 | 24,678 |
| Total liabilities | 31,289 | 27,896 |
| Net assets | 323,646 | 328,354 |
| The department's share of net assets | 80,910 | 82,087 |
| The investment in TRI is recognised as its initial cost plus post-acquisition changes in the department's 25 per cent share of TRI's net assets. | | |
| Revenue | 22,227 | 22,058 |
| Expenses | (26,934) | (26,705) |
| Surplus/(deficit) | (4,707) | (4,647) |
| Other comprehensive income | - | - |
| Total comprehensive income | (4,707) | (4,647) |
| The department's share of comprehensive income | (1,177) | (1,162) |

The department entered into a 30 year finance lease with the TRI Facility on 14 November 2012. The total value of minimum lease payments under the lease was \$272.7 million. At 30 June 2014, the department recognised a finance lease receivable and a finance lease advanced in relation to the TRI Facility, reflecting the lease of the TRI Facility to TRI, and TRI's advanced payment of rental under that lease.

It was subsequently determined that the finance lease asset and liability should be offset and derecognised, as there are no inflows or outflows of future economic benefits associated with these items. This treatment has been applied retrospectively and treated as a prior year adjustment, with financial statement balances as at 30 June 2014 updated to reflect this treatment. During the 2014-15 financial year, the finance lease transferred to Metro South HHS and is no longer recognised by the department.

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Note 31. Administered transactions and balances

Administered transactions and balances are comprised primarily of transactions relating to the Office of the Health Ombudsman and Mater Hospital.

| | 2015 \$'000 | 2014 \$'000 |
|---------------------------------|------------------------|------------------------|
| Administered revenues | | |
| Administered item appropriation | 33,874 | 31,263 |
| Taxes, fees and fines | 33 | 54 |
| Total administered revenues | <u>33,906</u> | <u>31,317</u> |
| Administered expenses | | |
| Grants | 29,222 | 25,945 |
| Borrowing costs | 4,651 | 5,317 |
| Other expenses | 33 | 54 |
| Total administered expenses | <u>33,906</u> | <u>31,317</u> |
| Administered assets | | |
| Current | | |
| Cash | 47 | 5 |
| Receivables | 11,433 | 10,723 |
| Non-current | | |
| Receivables | 53,815 | 65,248 |
| Total administered assets | <u>65,295</u> | <u>75,976</u> |
| Administered liabilities | | |
| Current | | |
| Payables | 47 | 5 |
| Other financial liabilities | 11,433 | 10,723 |
| Non-current | | |
| Other financial liabilities | 53,815 | 65,248 |
| Total administered liabilities | <u>65,295</u> | <u>75,976</u> |

Receivables

Receivables reflect the passing on of funds to the Mater Hospital for the redevelopment of the public hospital. The receivable for this will be extinguished over a ten year term, ending in 2018, at an interest rate of 6.46 per cent.

The Mater Public Hospital redevelopment was completed in June 2008 with funding provided from government borrowings managed as administered transactions. The financial arrangements for funding the public hospital component of the redevelopment of the Mater Hospital are recorded at book value with no interest charged. The department derives no financial benefit from the transactions. The financial risk associated with the public component of the project has been covered by the Queensland Government.

Payables

Borrowings are provided by Queensland Treasury Corporation. The interest rate on borrowings is fixed at 6.46 per cent. The repayment term is ten years. The market value of the debt as notified by Queensland Treasury Corporation at 30 June 2015 was \$70.8 million (\$82.8 million in 2013-14). This represents the value of the debt if the department repaid the debt at 30 June 2015. An amount of \$4.6 million (\$5.3 million in 2013-14) comprising interest on funds and administration fees from Queensland Treasury Corporation has been recognised as an expense in the reporting period.

Note 32. Reconciliation of payments from Consolidated Fund to administered revenue

| | 2015 \$'000 | 2014 \$'000 |
|--|------------------------|------------------------|
| Budgeted appropriation | 33,874 | 32,500 |
| Transfers from (to)/from other headings | <u>-</u> | <u>(1,237)</u> |
| Administered revenue recognised in Note 31 | <u><u>33,874</u></u> | <u><u>31,263</u></u> |

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Note 33. Events after the reporting period

Transfer of legal ownership of health service land and buildings to Hospital and Health Services

Wide Bay, Cape York and Torres, North West, Mackay, Central West, Central Queensland, South West and Children's Health Queensland HHSs obtained legal ownership of their health service land and buildings effective 1 July 2015.

No other matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect the department's operations, the results of those operations, or the department's state of affairs in future financial years.

Note 34. Budget vs actual comparison

Statement of Comprehensive Income

| | Variance | Original Budget 2015 | Actual 2015 | Variance | Variance % of budget |
|---|----------|----------------------------|----------------|-------------|----------------------------|
| | Notes | \$'000 | \$'000 | \$'000 | |
| Revenue | | | | | |
| Departmental services revenue | | 8,971,194 | 8,698,761 | (272,433) | -3% |
| User charges | | 1,427,325 | 1,504,519 | 77,194 | 5% |
| Labour recoveries | 1 | 7,036,254 | 1,699,905 | (5,336,349) | -76% |
| Grants and other contributions | | 3,199,704 | 3,305,689 | 105,985 | 3% |
| Other revenue | 2 | 14,975 | 33,067 | 18,092 | 121% |
| Gains on disposals | | - | 1,665 | 1,665 | 100% |
| Total revenue | | 20,649,452 | 15,243,606 | (5,405,846) | |
| Expenses | | | | | |
| Employee expenses | 1 | (8,182,598) | (2,820,988) | 5,361,610 | -66% |
| Supplies and services | 3 | (1,828,061) | (1,231,544) | 596,517 | -33% |
| Health services | 4 | (10,035,454) | (10,800,111) | (764,657) | 8% |
| Grants and subsidies | 4 | (248,741) | (55,793) | 192,948 | -78% |
| Depreciation and amortisation | 5 | (219,866) | (118,581) | 101,285 | -46% |
| Impairment losses | | (950) | (4,697) | (3,747) | 394% |
| Share of loss from associates | | - | (1,177) | (1,177) | 100% |
| Other expenses | 6 | (132,800) | (192,855) | (60,055) | 45% |
| Total expenses | | (20,648,470) | (15,225,746) | 5,422,724 | |
| Surplus for the year | | 982 | 17,860 | 16,878 | |
| Other comprehensive income | | | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | | | |
| Increase/decrease in asset revaluation surplus | | - | (9,439) | 9,439 | 100% |
| Other comprehensive income for the year | | - | (9,439) | 9,439 | 100% |
| Total comprehensive income for the year | | 982 | 8,421 | 26,317 | |

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Statement of Financial Position

| | Variance | Original Budget 2015 | Actual 2015 | Variance | Variance % of budget |
|----------------------------------|----------|----------------------------|----------------|-------------|----------------------------|
| | Notes | \$'000 | \$'000 | \$'000 | |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 7 | (228,182) | 215,353 | 443,535 | -194% |
| Loans and receivables | | 970,002 | 992,516 | 22,514 | 2% |
| Inventories | | 55,719 | 54,752 | (967) | -2% |
| Classified as held for sale | | 7,569 | - | (7,569) | -100% |
| Other assets | 8 | 138,067 | 178,911 | 40,844 | 30% |
| Total current assets | | 943,175 | 1,441,532 | 498,357 | |
| Non-current assets | | | | | |
| Loans and receivables | 9 | 424,464 | 111,518 | (312,946) | -74% |
| Investment in associates | | 83,339 | 80,910 | (2,429) | -3% |
| Property, plant and equipment | 10 | 2,655,541 | 1,386,125 | (1,269,416) | -48% |
| Intangibles | 11 | 293,740 | 224,136 | (69,604) | -24% |
| Other assets | | 3,394 | 4,307 | 913 | 27% |
| Total non-current assets | | 3,460,478 | 1,806,996 | (1,653,482) | |
| Total assets | | 4,403,653 | 3,248,528 | (1,155,125) | |
| Liabilities | | | | | |
| Current liabilities | | | | | |
| Payables | 7 | 342,516 | 937,712 | 595,196 | 174% |
| Accrued employee benefits | 1 | 704,842 | 429,522 | (275,320) | -39% |
| Unearned revenue & appropriation | | 92 | 72 | (20) | -22% |
| Other liabilities | | 9,073 | - | (9,073) | -100% |
| Total current liabilities | | 1,056,523 | 1,367,306 | 310,783 | |
| Non-current liabilities | | | | | |
| Unearned revenue | | 4,703 | 2,722 | (1,981) | -42% |
| Other liabilities | 9 | 265,797 | - | (265,797) | -100% |
| Total non-current liabilities | | 270,500 | 2,722 | (267,778) | |
| Total liabilities | | 1,327,023 | 1,370,028 | 43,005 | |
| Net assets | | 3,076,630 | 1,878,500 | (1,198,130) | |
| Equity | | | | | |
| Asset revaluation reserve | 13 | 88,550 | 77,858 | (10,692) | -12% |
| Retained surpluses | 12 | 2,988,080 | 1,800,642 | (1,187,438) | -40% |
| Total equity | | 3,076,630 | 1,878,500 | (1,198,130) | |

Department of Health
Notes to the financial statements

Statement of Cash Flows

| | Variance | Original Budget 2015 | Actual 2015 | Variance | Variance % of budget |
|--|-----------------|-------------------------------------|------------------------|-----------------|-------------------------------------|
| | Notes | \$'000 | \$'000 | \$'000 | |
| Cash flows from operating activities | | | | | |
| <i>Inflows</i> | | | | | |
| Departmental services receipts | | 8,971,194 | 8,839,980 | (131,214) | -1% |
| Labour recoveries | 1 | 7,036,254 | 1,751,726 | (5,284,528) | -75% |
| User charges | 14 | 1,393,433 | 1,574,768 | 181,335 | 13% |
| Grants and other contributions | | 3,203,742 | 3,107,883 | (95,859) | -3% |
| GST collected from customers | | 13,171 | 18,821 | 5,650 | 43% |
| GST input tax credits | 15 | 146,944 | 167,618 | 20,674 | 14% |
| Other revenue | 2 | 8,667 | 33,086 | 24,419 | 282% |
| <i>Outflows</i> | | | | | |
| Health services | | (10,035,454) | (10,181,626) | (146,172) | 1% |
| Employee expenses | 1 | (8,151,516) | (2,851,719) | 5,299,797 | -65% |
| Supplies and services | 3 | (1,930,200) | (1,345,995) | 584,205 | -30% |
| Grants and subsidies | 4 | (248,741) | (55,934) | 192,807 | -78% |
| GST paid to suppliers | | (137,481) | (148,233) | (10,752) | 8% |
| GST remitted | 16 | (13,171) | (40,898) | (27,727) | 211% |
| Other expenses | 17 | (34,325) | (16,024) | 18,301 | -53% |
| Net cash from operating activities | | 222,517 | 853,453 | 630,936 | |
| Cash flows from investing activities | | | | | |
| <i>Inflows</i> | | | | | |
| Loans and advances redeemed | 18 | - | 133,965 | 133,965 | 100% |
| Proceeds from sale of property, plant and equipment | 19 | 1,500 | 16,369 | 14,869 | 991% |
| <i>Outflows</i> | | | | | |
| Payments for property, plant and equipment | 10 | (1,364,460) | (796,462) | 567,998 | -42% |
| Payments for intangibles | 11 | (74,237) | (38,213) | 36,024 | -49% |
| Loans and advances made | | (309) | (87) | 222 | -72% |
| Net cash in investing activities | | (1,437,506) | (684,428) | 619,113 | |
| Cash flows from financing activities | | | | | |
| <i>Inflows</i> | | | | | |
| Equity injections | 12 | 1,858,568 | 807,056 | (1,051,512) | -57% |
| <i>Outflows</i> | | | | | |
| Equity withdrawals | | (567,220) | (622,934) | (55,714) | 10% |
| Net cash from financing activities | | 1,291,348 | 184,122 | (1,107,226) | |
| Net increase in cash and cash equivalents | | 76,359 | 353,147 | 276,788 | 362% |
| Cash and cash equivalents at the beginning of the financial year | | (324,541) | (137,794) | 186,747 | -58% |
| Cash and cash equivalents at the end of the financial year | | (248,182) | 215,353 | 463,535 | |

Department of Health
Notes to the financial statements

Administered Items

| | Variance | Original Budget 2015 | Actual 2015 | Variance | Variance % of budget |
|---------------------------------|----------|----------------------------|----------------|----------|----------------------------|
| | Notes | \$'000 | \$'000 | \$'000 | |
| Administered revenues | | | | | |
| Administered item appropriation | | 33,910 | 33,874 | (36) | 0% |
| Taxes, fees and fines | | - | 33 | 33 | 100% |
| Total administered revenues | | 33,910 | 33,906 | (4) | |
| Administered expenses | | | | | |
| Grants | | 29,222 | 29,222 | 0 | 0% |
| Borrowing costs | | 4,688 | 4,651 | (37) | -1% |
| Taxes, fees and fines | | - | 33 | 33 | 100% |
| Total administered expenses | | 33,910 | 33,906 | (4) | |
| Administered assets | | | | | |
| Current | | | | | |
| Cash | | 5 | 47 | 42 | 848% |
| Receivables | 20 | 10,058 | 11,433 | 1,375 | 14% |
| Non-current | | | | | |
| Receivables | | 58,247 | 53,815 | (4,432) | -8% |
| Total administered assets | | 68,310 | 65,295 | (3,015) | |
| Administered liabilities | | | | | |
| Current | | | | | |
| Payables | | 6 | 47 | 41 | 690% |
| Other financial liabilities | 20 | 10,057 | 11,433 | 1,376 | 14% |
| Non-current | | | | | |
| Other financial liabilities | | 58,247 | 53,815 | (4,432) | -8% |
| Total administered liabilities | | 68,310 | 65,295 | (3,015) | |

Explanations of Major Variances

1. The 2014-15 Budget was prepared on the basis that HHSs were not prescribed employers, as a Government decision regarding which HHSs would be prescribed from 1 July 2014 had not yet been made. This means that Employee Expenses for all Queensland Health staff are recorded in the department's Budgeted Employee Expenses line item. Budgeted Labour Recoveries revenue includes the total value of HHS staff costs expected to be recovered for operational staff contracted from the department to HHSs. In 2014-15, eight HHSs became prescribed employers. Employee expenses for prescribed HHSs are recognised directly by HHSs, not the department, and Labour Recoveries revenue relating to these costs is not recognised by the department. This has resulted in Actual expenditure being significantly less than Budgeted Employee Expenses, and a reduction in Labour Recoveries revenue of \$5,336M. There has also been a reduction in Accrued employee benefits following this change.

2. The \$18M variance is mainly due to an unanticipated refund from the National Blood Authority for 2013-14 activities (\$7M) and unexpected revenue from grants returned by various external recipients (\$6M). The variance also relates to interest received on the bank account for the Sunshine Coast University Hospital construction project (\$3M). This bank account was not in place when the Budget was prepared.

3. Expenditure budgeted for Supplies and Services was redirected to purchase health services from HHSs hence being reflected in the actuals of Health Services (\$516M). Refer to Note 4 below. The remaining variance is due to departmental activities being deferred into next year (\$177M), offset by higher actual expenditure than Budget (\$200M) mainly relating to unbudgeted expenses relating to capital projects.

4. The variance is due to higher activity levels in HHSs resulting in additional funding contributed by the department (\$516M) and reclassification of expenditure items between Health Services and Grants (\$183m) as a result of the introduction of Queensland Treasury guidance providing clarity on the distinction between the two.

5. Actual depreciation expense is lower than original budget due to the continued devolvement of ownership and control of buildings from the department to HHSs. Budgeted depreciation reflects the asset base of the department at the time the Budget was prepared.

Department of Health

Notes to the financial statements

6. The variance is mainly due to an unanticipated \$22M loss recognised for the transfer of Kawana Way land to other Government agencies, another \$22M is due to the write-off of capital Work-in-progress expenditure, of which \$11M relates to the write-off of Rockhampton Hospital expansion project expenditure and \$12M write-off of software work-in-progress relating to the previous financial system replacement project.
7. The variance is attributable to \$433M in unspent appropriation from Queensland Treasury (recognised as Payables in Actuals) for activities that have been deferred to 2015-16. The budget assumed a cash repayment to Queensland Treasury prior to 30 June 2015.
8. The variance in Other assets is mainly due to funding prepaid to HHSs. At year-end the Department, together with HHSs identify funding that is owed or prepaid based on HHS activities during the year. This was difficult to predict at the time the budget was prepared.
9. The variance is mainly due to the transfer of a finance lease relating to Translational Research Institute (TRI) from the Department to Metro South HHS this year (\$264M). Consequently, related finance lease assets and liabilities are no longer recognised by the department. The remaining variance relates to Payroll Receivables, with the budget based on prior year Actuals with no allowance for the movement in salary overpayments.
10. The variance is mainly attributable to work-in-progress (WIP) due to a lower Actual balance brought forward from 2013-14 (\$282M less than Budget) and lower expenditure due to delays in the construction of major projects (\$522M) including ICT infrastructure upgrade (\$145M), Priority Capital Program (\$57M) and Emergent Works Program (\$43M). The Budget assumed a greater number of building assets would remain on the balance sheet of the Department, whereas the Actuals include a larger number of transfers to the HHSs (\$113M). A further \$33M relates to the transfer of Kawana Way site improvements to other Government agencies. This was not budgeted for.
11. The variance in Intangibles is primarily due to delays in ICT projects including Integrated Electronic Medical Record Program (\$26M) and Integrated Oncology Management System (\$4M). The delay was driven by a change in government approach on providing ICT services, delays in recruiting staff, contract/supplier issues and general procurement delays. The variance is also attributable to \$21M unanticipated software write-off during the financial year, of which \$12M relates to the previous financial system replacement project (refer Note 6).
12. The variance is due to the following reasons. 1) the 2014-15 opening balance for Contributed Equity in Actuals (nil balance) was substantially higher than budget by \$199M. In order to avoid a negative Contributed Equity in Actuals, a portion of Accumulated Surplus was transferred to this category, which did not occur for Budget. 2) The budgeted net Equity Injection is materially higher than Actuals (\$596M). The Budget was based on the value of budgeted capital purchases. However due to the delay in capital projects during 2014-15 (refer Note 10), associated funding has been deferred. 3) Further contributing to this variance is the fact that asset transfers from the department's work-in-progress asset class to HHSs is higher than Budget (\$332M). 4) As the transactions in Actuals resulted in a negative balance in Contributed Equity, a portion of Accumulated Surplus was transferred to this category to achieve a nil balance (\$1,165M).
13. The variance is mainly due to a revaluation decrement for the land occupied by the Lady Cilento Children's Hospital before being transferred to Children's Health Queensland HHS (\$17M). This is offset by revaluation increments for other non-current assets owned by the Department (\$7M).
14. The variance is mainly due to the following: 1) \$77M higher User Charges in Actuals as per Statement of Comprehensive Income and 2) \$84m reduction in receivables, compared to budget, increasing cash from user charges.
15. The variance is due to a higher level of cash payments subject to GST than expected.
16. The variance in GST remitted is due to a higher level of activities than expected.
17. The variance is mainly attributed to higher budgeted value in advertising expense (\$5M) and fines (\$5M). The Budget also assumed a \$6M decrease in tax payable that increased the cash flow however this was not included in Actuals.
18. The variance was mainly due to net cash recoupments from HHSs which is reported under User Charges in Budget (\$117M). This is reported under Loans and advances redeemed in Actuals for more meaningful disclosure. The variance is also due to employee loan repayments which was not budgeted for (\$16M).
19. The variance is mainly due to the sale of land and buildings at Dalton Drive, Sunshine Coast during 2014-15 that was not anticipated when the budget was prepared.
20. The variance is mainly due to the current balance of administered receivables and liabilities, relating to revenue from Queensland Treasury to repay the Mater Loan, being higher than Budget.

Department of Health
Management Certificate

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

(a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and

(b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Department of Health for the financial year ended 30 June 2015 and of the financial position of the department at the end of that year; and

(c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.

Malcolm Wilson
Chief Finance Officer

28 / 8 / 15

Michael Walsh
Director-General

28 / 8 / 2015

INDEPENDENT AUDITOR'S REPORT

To the Accountable Officer of the Department of Health

Report on the Financial Report

I have audited the accompanying financial report of the Department of Health, which comprises the statement of financial position and statement of assets and liabilities by major departmental services as at 30 June 2015, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and statement of profit or loss and other comprehensive income by major departmental services for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificates given by the Director-General and the Chief Finance Officer.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Accountable Officer's responsibility also includes such internal control as the Accountable Officer determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

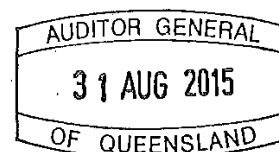
In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Department of Health for the financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

A M GREAVES FCA FCPA
Auditor-General of Queensland



Queensland Audit Office
Brisbane

