Annual Report 2013–2014

Great state. Great opportunity.

Queensland Government

Queensland Health Annual Report 2013–2014.

ISSN: 1838–4110

For more information:
Contact the Office of the Director-General, Department of Health, GPO Box 48, Brisbane QLD 4001, email DG_Correspondence@health.qld.gov.au, phone (07) 3234 1553.

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

In lieu of inclusion in the annual report, information about consultancies, overseas travel and access to interpreters for clients 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 (07) 3234 0111 or 13 QGOV (13 74 68) and we will arrange an interpreter to effectively communicate the report to you.

QH323 9/14

Letter of compliance

30 September 2014

The Honourable Lawrence Springborg MP
Minister for Health
Member for the Southern Downs
Level 19, 147–163 Charlotte Street
Brisbane Qld 4000

Dear Minister

I am pleased to present the Annual Report 2013–14 and financial statements for the Department of Health.

I certify that 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 111 of this annual report or accessed at *www.premiers.qld.gov.au/publications/categories/guides/annual-report-guidelines.aspx*

Yours sincerely

Ian Maynard
Director-General
Queensland Health

Contents

Figures

Tables

Year in review

The Department of Health operates in a challenging environment. Queensland's growing and ageing population and the associated increase in the burden of disease and other chronic health conditions has been well chronicled. The need to provide better access to services—particularly for those with high or complex health needs, those living in rural or remote areas, and Aboriginal and Torres Strait Islander people—means we must find innovative, efficient and cost-effective ways to deliver healthcare to Queenslanders.

In 2012–13, the Queensland public healthcare sector underwent the most significant structural reforms in its 113 year history. It has emerged leaner, more efficient and more responsive than ever before. Those reforms—which started with the introduction of a smaller Department of Health and 17 independent Hospital and Health Services; and continued with the release of the *Blueprint for better healthcare in Queensland* in February 2013—have paved the way for Queensland to become the leader in Australian healthcare, enabling us to deliver on our vision to provide quality healthcare that Queenslanders value.

In 2013–14, further structural reforms were implemented with the transfer of the Queensland Ambulance Service to the Department of Health to ensure a more integrated and effective health system. This transfer has resulted in improved coordination between the Queensland Ambulance Service and Hospital and Health Services and better results for patients.

These reforms will continue in 2014–15 with the amalgamation of the Cape York and the Torres Strait–Northern Peninsula Hospital and Health Services from 1 July 2014. The new Torres and Cape Hospital and Health Service will better serve the health needs of the people of Far North Queensland and provide for increased local control of health service delivery.

This process of placing local Hospital and Health Boards in control of health service delivery has already reaped significant benefits for local communities and has allowed health services to be delivered within budget and with improved efficiency. Hospital and Health Service budget surpluses are being reinvested to improve local services, including the reintroduction of birthing services to a number of regional health services for the first time in years.

This increased control has been supported by a significant investment in the implementation of a range of clinical redesign projects. These projects are aimed at enabling hospital services to become more efficient and better able to meet national standards for emergency department access and elective surgery waiting lists in the face of rising demand for health services. As a result, Queensland has recorded significant performance improvements across the board including:

- faster ambulance response times
- faster transfer of patients from the ambulance to the emergency department
- shorter stays in emergency departments
- fewer patients waiting longer than clinically recommended for surgery
- the number of long-wait dental patients reduced to zero
- shorter waits for specialist outpatient clinics
- better value for money.

The department also introduced the Health Innovation Fund to support innovation in service delivery and patient care. The fund provides grants to Hospital and Health Services for the development of innovative health initiatives with the potential for statewide application. By supporting these innovations, the fund will help deliver the productivity savings needed to meet the growing demand for services.

In short, these improvements to the efficiency of clinical services means we are able to deliver more services to more patients with the same resources.

The department continues to move towards a more open and transparent system of reporting hospital performance. Initiatives such as publishing of detailed hospital performance data on the Queensland Health website have been expanded, with an increase from 40 to 60 reporting hospitals. In addition, quarterly performance reports against key statewide measures continue to be published in local newspapers. Through these initiatives, Queenslanders now have a better understanding of how their hospitals are performing than ever before.

This year also saw the completion of a number of significant infrastructure projects including the opening of the Gold Coast University Hospital. This $1.76 billion investment has led a major expansion of public health services on the Gold Coast. Other significant infrastructure investments included the expansion of Queen Elizabeth II and Ipswich hospitals, and the redevelopment of Townsville Hospital.

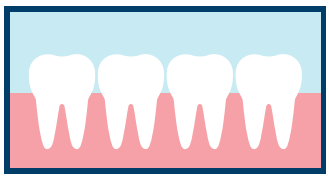
Preparation for the transfer of legal ownership of land and building assets and staff employment responsibilities to Hospital and Health Services was also completed in 2013–14. This decision gives local communities direct control over two of the most significant aspects of their health services—the people who provide healthcare and the buildings in which those people work.

Further local control will be realised through the development of guidelines for the transfer of primary healthcare services to community-controlled health organisations in selected sites. In 2013–14, the first pilot was implemented in Yarrabah, where the Cairns and Hinterland Hospital and Health Service worked with the community to transition control and delivery of primary health services to the community controlled health organisation Gurriny Yealamucka.

During the year, a number of industrial relations reforms were commenced to deliver simpler, easy-to-understand employment arrangements that will underpin ongoing improvements in patient care and ensure a sustainable public hospital system for the future.

Industrial awards are being modernised under the supervision of the Queensland Industrial Relations Commission to ensure basic employment arrangements are simpler to understand and closely aligned with broader community standards.

The department has also continued to progress initiatives to improve the Queensland Health payroll system. These important improvements have seen a significant reduction in the number of incorrect payments to staff and have reduced the operational costs associated with paying employees.



No more long wait dental lists

March 2013 **61405**

June 2014 **ZERO**

Long wait dental patients are those who have waited longer than two years for their treatment.

ambulance response times were 12 lifesaving seconds faster than in March 2012

12 minutes faster from ambulance to emergency than in March 2012

Time interval between ambulance at arriving at emergency departments and transfer of the patient into the care of emergency department staff. Based on data from the top 27 hospitals across the state.

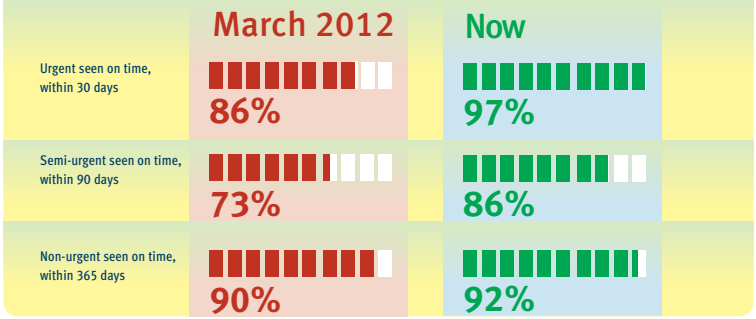
Fewer people have long waits for their surgery

1068 NOW

6485 March 2012

Total number of patients (including those patients not ready for care as at June 2014) who have waited longer than clinically recommended for their surgery.

Surgery patients seen on time



In 2013–14, a number of innovative strategies to improve the health of Queenslanders were also introduced including:

- the Healthier. Happier. campaign to help Queenslanders make small changes to their lifestyle to enable us to become the healthiest state
- the successful *All by myself* and *If you smoke your future's not pretty* quit smoking campaigns
- E.N.D.H.I.V. campaign to reduce HIV transmissions and reduce stigma in the community.

Other successful healthcare initiatives have included the Mums and Bubs program which has provided home visits from a midwife or child health nurse to almost 70,000 families with newborns, and the introduction of a ban on commercial solariums.

The introduction of the *Health Ombudsman Act 2013* has also seen a complete overhaul of the way that health service complaints are managed in Queensland. Healthcare consumers and providers will benefit from a simpler, more transparent, accountable and streamlined health service complaints management system. The appointment of Queensland's first Health Ombudsman from 1 July 2014 will see complaints about health services dealt with quickly and appropriately, and in accordance with the highest levels of transparency and accountability.

While the department continues to undergo significant change, a new, more efficient, accountable, responsive and innovative healthcare system is quickly emerging that emphasises local control, quality care and value for money. I am confident the continuing reforms will provide a public healthcare sector which provides quality healthcare that Queenslanders value.

Ian Maynard
Director-General
Queensland Health

Mandate

The Queensland Department of Health was established in 1901 and, until 1 July 2012, was responsible for management, administration and delivery of public health services in Queensland.

Enactment of the *Hospital and Health Boards Act 2011* from 1 July 2012 resulted in the establishment of 17 Hospital and Health Services—independent statutory bodies, each governed by their own professional Hospital and Health Board and managed by a Health Service Chief Executive with responsibility for the delivery of public health services in their local area.

The department's role is one of system-wide policy and regulation, planning and service purchasing, supporting system-wide quality and safety, and service innovation. The department also provides a range of governance, corporate functions and information and communication technology functions, administers major infrastructure programs and manages the delivery of statewide services such as forensic and scientific services and Telehealth.

The functions of the department have been aligned under three divisions—Health Service and Clinical Innovation, System and Policy Performance, and System Support Services—and two commercialised business units—Health Services Information Agency and Health Services Support Agency—all overseen by the Office of the Director-General.

Our vision

Quality healthcare that Queenslanders value.

Our purpose

To provide leadership and direction for the public healthcare 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.

Strategic direction

There are six priorities in the Department of Health Strategic Plan 2012-16:

1. **Healthy Queenslanders—facilitate the integration of health system services that focus on keeping patients, people and communities well.**

   Achieving the best health outcomes for Queenslanders requires coordinated service delivery that uses a range of strategies such as application of regulatory standards and controls, surveillance, contact tracing, risk assessment and community education and advice.

   The department, with the Australian Government, is also keeping people informed of what they can do to live longer and healthier lives, prevent ill health, and ultimately relieve pressure on the health system.

2. **Accessible services—ensure access to appropriate health services is simple, equitable and timely for all Queenslanders.**

   Improved access to health services is a key priority, particularly for those with high or complex health needs, those living in rural or remote areas, the socially disadvantaged and Aboriginal and Torres Strait Islander Queenslanders.

   The department is working closely with healthcare service providers to enable patients to receive the care they need, when and where they need it.

3. **Safe services—focus healthcare resources on models of care that are patient-centred, safe, effective, economically sustainable and responsive to community needs.**

   The department provides the frameworks, guidance and support to enable Hospital and Health Services to achieve safe and effective patient-centred models of care. These models aim to deliver better treatment outcomes for patients, and result in fewer clinical incidents and adverse events.

4. **Value for money—provide value in health services by maximising public investment in multi-sector partnerships in service delivery, health and medical research, infrastructure and assets.**

   In line with the Queensland Government's commitment to ensure value for money in the provision of health services, the private and not-for-profit sectors will increasingly be invited to partner with the state in the provision of health services to the people of Queensland. Public investment in the health system will be maximised through these innovative, multi-sector partnerships which ensure the most efficient and cost-effective services are provided.

5. **Governance and innovation—foster a health system that is transparent, accountable and innovative.**

   Consumers in Queensland have a right to be informed about the care and treatment options available to them, to be provided with a clear and honest explanation if something goes 'wrong' with their healthcare, and what could be done to make it 'right'.

   The department supports openness and transparency to the wider Queensland community through its corporate governance and reporting processes, which directly contribute to the government's objective of restoring accountability in government.

6. **Partnerships and engagement—cultivate a high-quality health system through positive engagement and cooperation with our workforce and health system partners.**

   Clear and equitable human resource and workplace health and safety policies and procedures must be in place to promote a positive and safe workplace culture. The workforce must feel empowered in the knowledge the organisation supports them to do their job, and also to speak up when they know something is not being done correctly.

   Engagement with health system partners—such as primary healthcare providers, non-government providers, peak bodies, the aged care and disability care sectors, and universities and research institutes—is invaluable in fostering a high quality healthcare system.

Financial highlights

The Department of Health's vision is to provide quality healthcare that Queenslanders value. To achieve this, seven major service areas are used to reflect the department's planning priorities. These service areas are prevention, promotion and protection; primary healthcare; ambulatory care; acute care; rehabilitation and extended care; integrated mental health services; and Queensland Ambulance Service. The Queensland Ambulance Service was added to the health portfolio on 1 October 2013.

How the money was spent

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

The department achieved an operating surplus of $4.811 million in 2013–14 while still delivering on agreed major services.

Through its risk management framework and financial management policies, the department 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.

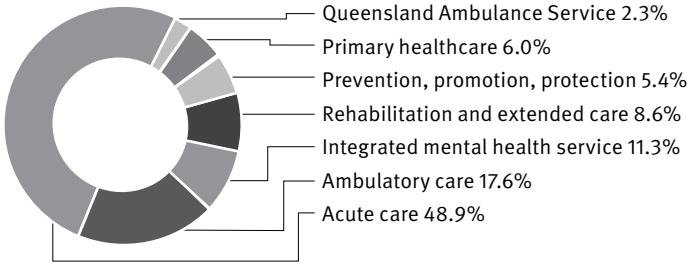


Figure 1: Expense by major services

Income

The department's income includes operating revenue and internally generated revenue. Revenue is sourced from:

- state contributions
- Commonwealth contributions—which includes National Health Reform funding
- labour recoveries from Hospital and Health Services (HHSs)
- user charges and other revenue, which includes revenue from fee for service arrangements with HHSs, right of private practice arrangements, interest, licences and permits, gains on asset sales and sundry revenue.

Figure 2 details the extent of these funding sources for 2013–14.

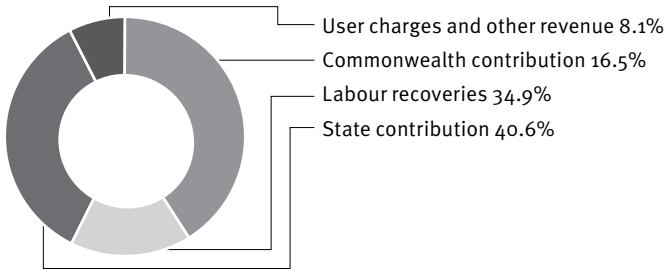


Figure 2: Revenue by funding source

The department's total income from continuing operations for 2013–14 was $19.397 billion. This income is comprised of state contributions of $7.873 billion (40.6 per cent), Commonwealth contributions of $3.195 billion (16.4 per cent), labour recoveries from HHSs of $6.764 billion (34.9 per cent) and user charges and other revenue of $1.565 billion (8.1 per cent).

It should be noted that of the total revenue of the department, $6.764 billion relates to internal labour recoveries from HHSs. This is a result of the Director-General, Queensland Health being the employer of all Queensland Health staff (except health service chief executives and health executive staff working in a HHS) in 2013–14. This revenue from labour recoveries will gradually cease as HHSs transition to prescribed employers. Eight HHSs will transition on 1 July 2014, with the remaining HHSs expected to transition on 1 July 2015. The total net income from continued operations excluding labour recoveries from HHSs is $12.633 billion.

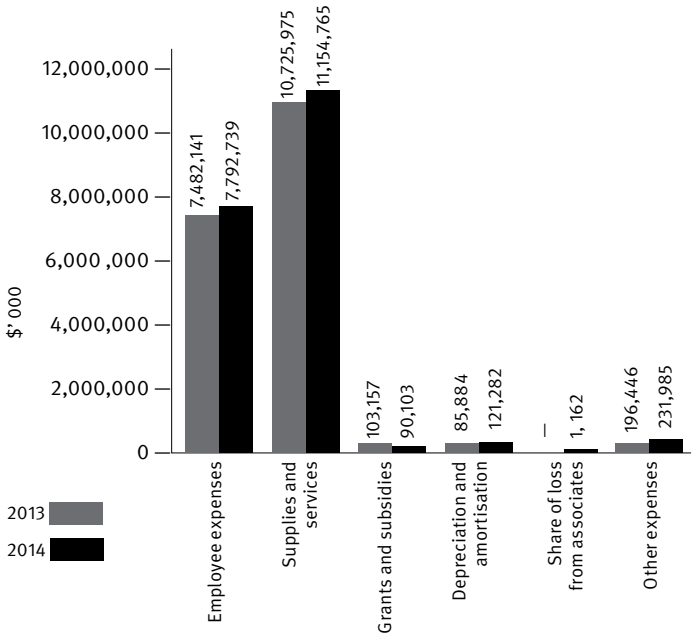


Figure 3 Expense two-year comparison

Expenses

Total expenses were $19.392 billion. Again, it should be noted that total expenditure includes total Queensland Health employee expenses (excluding Health Service Chief Executives and Health Executive Staff working in a HHS) of $6.764 billion. The total expenditure of the department excluding these costs is $12.628 billion.

Total expenditure for 2013–14 has increased by $798 million (4.3 per cent) from 2012–13. Part of this increase is attributed to expenses associated with the Queensland Ambulance Service, which transferred to the department as a result of a machinery-of-government change, effective 1 October 2013.

Figure 3 provides a comparison of expenses in 2012–13 and 2013–14.

The increase in expenses incurred includes:

- employee expenses—salary increases under the current enterprise bargaining agreements
- supplies and services—which reflects the revision of service procurement expenditure in 2013–14
- depreciation and amortisation—following trends over previous years
- other expenses—reflecting an increase in insurance premiums.

Comparison of actual financial results with budget

The department's actual result in comparison to its budget as published in the State Budget Papers 2013-14 Service Delivery Statements are presented in the following tables with accompanying notes.

Table 1 Statement of comprehensive income for the year ended 30 June 2014

	Notes	2013–2014 actual $'000	2013–2014 budget $'000	Variance $'000
Income				
Departmental services revenue	1	8,268,855	8,109,547	159,308
User charges	2	1,401,595	487,093	914,502
Labour recoveries	3	6,764,042	0	6,764,042
Grants and contributions		2,925,701	2,895,108	30,593
Other revenue	4	35,753	14,749	21,004
Gains		901	0	901
Total income		19,396,847	11,506,497	7,890,350
Expenses				
Employee expenses	5	7,792,739	1,163,238	6,629,501
Supplies and services	6	1,113,744	431,584	682,160
Health Services	7	10,041,021	0	10,041,021
Grants and subsidies	8	90,103	9,683,839	(9,593,736)
Depreciation and amortisation	9	121,282	113,711	7,571
Impairment loss		(1,922)	0	(1,922)
Other expenses	10	233,907	114,125	1119,782
Total expenses		19,390,874	11,506,497	7,884,377
Share of profit/(loss) of associates	11	(1,162)	0	(1,162)
Operating result from continuing operations		4,811	0	4,811

Notes:

1. The increase in service revenue to budget is due to the machinery-of-government transfer of the Queensland Ambulance Service to the Department of Health effective 1 October 2013. This is offset by the deferral of state and Commonwealth funds in line with revised expenditure forecasts.
2. Variance to budget predominately relates to recoveries from Hospital and Health Services (HHSs) for items such as drugs, pathology, ambulance and fixed wing, bio technology services and blood and blood products. The 2013–14 published budget does not reflect the revenue associated with the recovery of services provided by the Department of Health to the HHSs.
3. The variance in labour recoveries is attributable to the 2013–14 published budget excluding revenue associated with the recovery of labour expenses paid by the Department of Health on behalf of HHSs. The 2013–14 published budget is net of all inter-entity transactions between the Department of Health and HHSs.
4. The increase in other revenue against budget predominately relates to higher revenues from licencing activities, interest and increased recoveries and reimbursements.
5. Refer to Note 3. The 2013–14 published budget is net of all inter-entity transactions between the Department of Health and HHSs, with the 2013–14 actuals reflecting these transactions.
6. Refer to Note 2. The 2013–14 published budget does not reflect the expenditure associated with the supplies and services incurred by the Department of Health on behalf of HHSs.
7. The 2013–14 published budget reflects payments made to HHSs in the category of grants and subsidies. Health services payments have been re-categorised as supplies and services and are reflected separately in the 2013–14 actuals. The increase in payments reflects additional funding paid to HHSs for the provision of health services.
8. The decrease in grants and subsidies actuals compared to budget is a result of a change in accounting treatment for funding payments to HHSs being reclassified from grants to supplies and services. These payments are classified as 'health services' in the 2013–14 actuals.
9. Increase in depreciation and amortisation reflects revised commissioning of assets.
10. The variance to budget for other expenses includes increased write-offs over budget and increased Queensland Government Insurance Fund premiums.
11. Recognition of share of loss in associates including the Translational Research Institute Trust. This amount has not been budgeted for.

Table 2 Statement of financial position as at 30 June 2014

	Notes	2013–14 Actual $'000	2013–14 Budget $'000	Variance $'000
Current assets				
Cash and cash equivalents	12	(157,794)	(347,948)	190,154
Loans and receivables	13	1,154,906	1,045,021	109,885
Inventories		51,361	58,593	(7,232)
Assets held for sale		14,700	0	14,700
Other		130,730	125,484	5,246
Total current assets		1,193,903	881,150	312,753
Non-current assets				
Loans and receivables	14	372,831	20,911	351,920
Property, plant and equipment	15	2,709,945	2,433,060	276,885
Intangibles	16	231,983	150,625	81,358
Other financial assets	17	20,000	119,038	(99,038)
Investments in associates	17	82,087	0	82,087
Other		1,131	7,446	(6,315)
Total non-current assets		3,417,977	2,731,080	686,897
Total assets		4,611,880	3,612,230	999,650
Current liabilities				
Payables	18	698,490	300,554	397,936
Accrued employee benefits	19	545,099	805,522	(260,423)
Interest-bearing liabilities	20	0	276,100	(276,100)
Other liabilities	21	9,159	104	9,055
Unearned revenue		63	0	63
Total current liabilities		1,252,811	1,382,280	(129,469)
Non-current liabilities				
Other financial liabilities	22	247,283	0	247,283
Other		0	1,986	(1,986)
Unearned revenue		20,213	0	20,213
Total non-current liabilities		267,496	1,986	265,510
Total liabilities		1,520,307	1,384,266	136,041
Net assets		3,091,573	2,227,964	863,609
Equity				
Contributed equity		0	(1,168,857)	1,168,857
Retained surpluses		3,004,276	2,436,802	567,474
Asset revaluation surplus	23	87,297	960,019	(872,722)
Total equity		3,091,573	2,227,964	863,609

12. The Department of Health's cash position has moved favourably to published budget as a result variances in budgeted payables and receivables for 2013–14 detailed in Note 14 and 19.
13. Increase in actuals to budget relates to appropriation receivable from Queensland Treasury and Trade and an increase in operating receivables above that budgeted, offset by a re-classification of the Translational Research Institute finance lease from current to non-current
14. Increase in actuals to budget relates to the re-classification of the Translational Research Institute finance lease from current to non-current.
15. Increase relates to the revaluation of land and buildings being higher than budgeted.
16. Increase in actuals to budget is due the transfer of software from the Department of Science, Information Technology, Innovation and the Arts.
17. The 2013–14 published budget reflects investments in associates as an other financial asset.
18. Increase in actuals to budget reflects an increase in payables primarily relates to appropriation payable Queensland Treasury and Trade and for the final payment for 2013–14 to Hospital and Health Services.
19. Decrease in accrued employee benefits relates to a lower accrual than budgeted.
20. Decrease in actuals to budget is due to the re-classification of pre-paid lease payments for Translational Research Institute from current to non-current.
21. Increase relates to the current component of pre-paid lease payments for Translational Research Institute. See Notes 20, 22.
22. See Note 21. Increase in actuals to budget is due to the re-classification of pre-paid lease payments for Translational Research Institute from current to non-current.
23. Decrease in actuals to budget is a result of the reduction in revaluation surplus as a result of land and buildings being controlled by HHSs.

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 2014, a statement assessing the department'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.

Future outlook

In 2014–15, Queensland Health's overall expenditure budget (inclusive of the Department of Health, Queensland Ambulance Service and 16 Hospital and Health Services) will grow to $13.622 billion, an increase of 10.51 per cent on the 2013–14 published budget. Approximately four per cent of this growth is attributed to the machinery-of-government transfer of the Queensland Ambulance Service into the Department of Health effective 1 October 2013. When comparing against the 2013–14 adjusted budget, as published in the 2014–15 Service Delivery Statements, this represents a growth of 6.4 per cent.

Queensland Health will also invest $1.554 billion in 2014–15 in a range of health infrastructure priorities including hospitals, health technology, research and scientific services, mental health services, residential care, staff accommodation, and information and communication technologies.

The 2014–15 infrastructure program highlights include:

- scheduled opening of the Lady Cilento Children's Hospital and Centre for Children's Health Research
- continued development of the Sunshine Coast Public University Hospital
- continued redevelopments of the Cairns Hospital, Mackay Hospital and Mount Isa Health Campus
- $114.2 million allocated to Hospital and Health Services for capital purchases and health technology equipment.

Service agreements

In 2014–15, $11.045 billion (or 80 per cent of the total budget)[1] will be allocated through service agreements to purchase public healthcare services from Hospital and Health Services and other organisations, including Mater Health Services, St Vincent's Hospital and Noosa Hospital.

Queensland Mental Health Commission

In 2014–15, $8.504 million has been allocated to the Queensland Mental Health Commission. The commission will drive ongoing reform towards a more integrated, evidence-based, recovery-oriented mental health, drug and alcohol system and will be responsible for leading a cultural change in the way mental health, drug and alcohol services are planned and delivered in Queensland.

Health Ombudsman

In 2014–15, $10.245 million has been allocated to the Office of the Health Ombudsman. The Health Ombudsman has responsibility for protecting the health and safety of the public. The Health Ombudsman does this by promoting professional, safe and competent practice by health practitioners and high standards of service delivery by health service organisations, while maintaining public confidence in the management of complaints and other matters relating to the provision of health services.

Queensland Ambulance Service

In 2014–15, $41.4 million will be invested in new and replacement ambulance vehicles and equipment; and replacing, refurbishing or redeveloping ambulance stations across Queensland. In addition, a two year, statewide rollout of replacement defibrillators will occur, which will provide state-of-the-art vital sign monitoring, defibrillation and early detection of life threatening cardiac conditions.

Hospital in the home

The government provided increased funding of $28.3 million over a four year period commencing in 2013–14 for additional hospital in the home services to be provided by the private sector and non-government organisations. Hospital in the home provides acute care by healthcare professionals at a patient's usual place of residence as a substitute for inpatient care received in a hospital.

[1] As at July 2014

Backlog maintenance

The continuation of the Backlog Maintenance Remediation Program will provide capital expenditure and maintenance funding to address high priority and critical operational maintenance, life cycle replacements and upgrades. The program commenced in 2013–14, with funding of $147 million across four years being allocated to address the backlog of maintenance. This brings the total contribution from the department and HHSs for the program to $327 million.

Revitalisation of regional, rural and remote services

To address the specific service delivery challenges for the health sector in non-metropolitan areas, the government has approved funding of $82.5 million across four years commencing 2013–14. This funding will support and enable better access to healthcare services for Queenslanders in regional, rural and remote communities through enhanced infrastructure maintenance and the development of improved ambulatory and primary healthcare models, delivery of enhanced outreach services and establishment of the Rural Telehealth Service.

Payroll system enhancements

Payroll system enhancements will continue in 2014–15, with additional funding of $384.3 million being allocated across four years from 2013–14. This will enable the department to operate, maintain and enhance the Queensland public health system rostering and payroll environment. This will be used to improve the pay outcomes for Queensland public health system employees, reduce the level of fortnightly overpayments and reduce recurrent operational payroll costs.

Drought assistance package

The government is providing additional funding of $1.5 million to Queensland Health in 2014–15 to fund the drought assistance package. This will fund the delivery of mental health support workshops into areas not previously drought declared and the introduction of additional interventions to support individuals and local communities in drought affected areas.

Governance—management and structure

Department of Health structure

Health Service and Clinical Innovation

Health Service and Clinical Innovation delivers statewide clinical support and coordination to assist Hospital and Health Services (HHSs). In addition to the Office of the Deputy Director-General, the division has three branches and four professional offices:

- Allied Health Professions' Office of Queensland
- Chief Health Officer Branch
- Health Systems Innovation Branch
- Mental Health, Alcohol and Other Drugs Branch
- Nursing and Midwifery Office of Queensland
- Office of the Chief Dental Officer
- Office of the Principal Medical Officer.

Health Service and Clinical Innovation is responsible for:

- statutory functions related to public health, private health licensing and mental health, as required under relevant legislation
- statewide coordination of regulatory and other interventions to address potential harm or illness caused by exposure to environmental hazards, diseases or harmful practices, including disease surveillance, prevention and control
- statewide coordination and monitoring of interventions and oversight of service quality in relation to alcohol and other drugs as well as mental health
- 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
- provision of statistical information to enable decision-making, clinical improvement, monitoring and evaluation of health services, and for reporting against national agreements and other requirements
- development of strategies to meet future clinician workforce challenges
- provision of advice and coordination, workforce development and support, including education and training, and performance and productivity monitoring for nursing and midwifery, medical, allied health and dental professions
- setting system-wide preventive health program objectives and targets in line with government policy direction; epidemiological information for statewide planning and public health data management; cancer screening strategies, policies and standards; and leadership and direction for health and medical research.

Health Service and Clinical Innovation also delivers the following statewide services:

- aeromedical coordination and retrieval
- clinical and operational leadership and governance for specialised and contracted retrieval services and aeromedical transport providers
- counter disaster and mass events coordination and response
- statewide management of the policy and legislative requirements for organ and tissue donation, and blood supply.

Health Services Information Agency

The Health Services Information Agency is responsible for coordinating the operating information systems and technologies for the department and for HHSs.

The provision of information and communication technology services to the state's public health system is a critical component in the delivery of health services to Queenslanders. The agency currently hosts and manages a considerable number of key corporate and clinical systems that support Queensland Health clinicians and staff to undertake their day-to-day operations.

The Health Services Information Agency is made up of four core business areas which are responsible for the strategic, program and project delivery, commercial, and operational activities of the agency. It has a focus on delivering sustainable, value for money information and communication technology services for the Queensland public health system and its patients.

Health Services Support Agency

Health Services Support Agency provides a range of support services to enable the delivery of frontline health services by HHSs in Queensland. These services include:

- pathology
- biomedical technology services
- Central Pharmacy
- Medication Services Queensland
- Radiology Support Services
- Group Linen Services
- procurement services.

In addition, the Health Contact Centre and Forensic and Scientific Services have a broader community support function.

Office of the Director-General

The Office of the Director-General provides support and advice to the Director-General and Minister for Health through the strategic coordination of departmental activities. The office is committed to driving high-quality healthcare and continuous improvement and facilitates intra- and inter-governmental partnerships and communication, as well as delivery of statewide marketing, communication and media campaigns.

The Office of the Director-General has a strong commitment and focus on performance, accountability, openness and transparency. It contains the following units:

- Cabinet and Parliamentary Services—manages the provision of strategic services to the Office of the Minister for Health, provides high-level strategic policy advice on Cabinet and executive government issues, and coordinates whole-of-government reporting.
- Departmental Liaison and Executive Support—manages the flow of information to and from other government departments and statutory bodies, and manages incoming patient and customer feedback on behalf of the department and the Minister for Health.
- Integrated Communication Branch—manages statewide marketing and communication campaigns and strategies; manages the department's brand; develops and manages online services; provides graphic design services; develops communication standards, guidelines and plans; and delivers media and communication strategies. The branch also manages media enquiries, provides strategic advice to the Minister for Health, Director-General and other agencies, and leads and provides stakeholder engagement and communication services.
- Secretariat Services—provides secretariat services to key decision-making bodies within the health system, represents the department's interest on a state and national level, and manages engagement and relationships to facilitate inter- and intra-governmental relations.
- Health Renewal Portfolio Office—supports the delivery of the improvements identified in the *Blueprint for better healthcare in Queensland* and other whole-of-government and internal renewal agendas, specifically the Queensland Health Renewal Taskforce, an entity located in the Department of the Premier and Cabinet.

Following the departure of Dr Tony O'Connell, Ian Maynard was appointed to the role of Director-General, Queensland Health in September 2013.

Queensland Ambulance Service

The Queensland Ambulance Service provides timely and quality patient-focused ambulance services to meet the needs of the community.

It is an integral part of the healthcare sector in Queensland and provides pre-hospital ambulance response services, including emergency and routine pre-hospital patient care and transport services, inter-facility ambulance transport, planning and coordination of multi-casualty incidents and disasters, and casualty room services.

The Queensland Ambulance Service operates seven communications centres which receive emergency Triple Zero (000) calls and non-urgent calls and coordinate and activate ambulance resources from 291 response locations throughout the state.

The Queensland Ambulance Service is also a registered training organisation that delivers nationally recognised training and qualifications in the vocational education and training sector in Queensland.

In addition, it works in partnership with more than 150 Local Ambulance Committees across the state, whose members volunteer their time in support of their local ambulance service.

System Policy and Performance

System Policy and Performance leads high-level strategic and policy development, plans and forecasts health services for the Queensland population, acts as purchaser of health services on behalf of the state, and monitors and manages performance according to the purchasing model and service agreements.

The division also provides leadership and strategic advice on Aboriginal and Torres Strait Islander health, and supports the statutory agencies within the health portfolio.

System Policy and Performance comprises three branches:

- Governance, Relationships, Improvement and Priorities
- Healthcare Purchasing, Funding and Performance Management
- Policy and Planning.

It is responsible for:

- development, review and updating of portfolio legislation and regulations
- data analysis and research to support health service planning
- statewide health service planning and supporting HHSs with local service planning
- strategic planning and policy development
- integrated planning frameworks
- introduction of an activity-based funding model and national efficient price for services
- healthcare purchasing and development/execution of service agreements between the department and HHSs
- performance monitoring and management of HHSs
- development of the department's state budget submissions and contribution to the state budget papers
- support of statutory agencies within the health portfolio
- coordination of policy, planning, investment and monitoring of Aboriginal and Torres Strait Islander health initiatives.

The Healthcare Purchasing, Funding and Performance Management branch also manages the following senior management groups/committees:

- Hospital and Health Services Activity Planning and Funding Advisory Board—provides advice to the Deputy Director-General of System Policy and Performance in meeting responsibilities as they relate to HHS activity planning and reports to the Performance Management Executive Committee.
- Hospital and Health Services Funding Committee—provides guidance and makes recommendations to the Executive Director, Healthcare Purchasing, Funding and Performance Management in relation to all aspects of HHS funding and reports to the Hospital and Health Service Activity Planning and Funding Advisory Board.

System Support Services

System Support Services was created in 2012, bringing together a range of different areas into one cohesive division that enables the corporate services necessary to allow both the department and HHSs to function effectively, and deliver essential health services.

System Support Services is responsible for major corporate functions including financial, legal and human resources services, as well as administering the infrastructure program and overseeing key governance functions such as risk, audit, privacy and ethical standards. Additionally, through the Contestability branch, the division provides strategic oversight and coordination on contestability reforms which are the basis for improving operational efficiencies across Queensland Health.

System Support Services comprises the following branches:

- Finance—supports Queensland Health in the creation of dependable healthcare through the provision of business advice, strategic financial policy and strong governance frameworks in order to create better healthcare for all Queenslanders.
- Legal—provides legal services to the Minister for Health, Director-General, deputy directors-general and other senior officers.
- Human Resource Services—provides statewide advice and support, including human resource policy and strategy development, employee relations and industrial reform, executive remuneration frameworks, safety and wellbeing systems, capability and leadership initiatives, workforce management and payroll services, and advice and implementation support for whole-of-government workforce initiatives.
- Health Infrastructure—leads and coordinates statewide health service infrastructure and ensures the life of built assets is maximised to deliver on the state's considerable investment in Queensland Health's infrastructure portfolio. The branch works collaboratively with HHSs, other government agencies and key stakeholders on service and infrastructure planning and delivery.
- Governance—develops and implements risk mitigation strategies and frameworks, internal audit, right to information, privacy and ethical standards.
- Contestability—leads the coordination of contestability reforms within Queensland Health to drive operational efficiencies for Queensland's public healthcare system. The branch provides a strategic policy and operational framework for service delivery reviews and assistance to the department and the 17 HHSs for investigating alternative service delivery models that represent value-for-money, innovation and improved services. It also offers high-level advice and expertise for strategic sourcing options for the identified service delivery improvements and enables their implementation through the provision of commercial, project and program management.

Machinery-of-government change

Queensland Ambulance Service

The final report of the Police and Community Safety Review was released on 10 September 2013. The review examined all agencies in the 'community safety' portfolio in order to future-proof the state's emergency services, ensure emergency services were being delivered effectively and all public sector agencies were working together for the benefit of all Queenslanders.

With specific respect to the Queensland Ambulance Service, the review recommended:

- the Queensland Ambulance Service transfer to the Department of Health by a machinery-of-government change as soon as is practicable, and the Commissioner report directly to the Director-General, Queensland Health
- the Queensland Ambulance Service be maintained as a statewide service
- negotiation take place between the Department of Health and the Queensland Ambulance Service to determine the broad governance requirements of any such arrangements
- the Queensland Ambulance Service maintain its own identity to ensure its role is not lost, and continue to focus on key performance indicators, such as response times, and build on the goodwill the service has with the community.

Executive Management Team

Ian Maynard

Director-General

Ian Maynard was appointed Director-General, Queensland Health in September 2013. Previously he was Commission Chief Executive of the Public Service Commission.

Ian has held senior executive positions in diverse industries across both private and public sectors in Australia and New Zealand, and has significant experience in the areas of change management and business improvement initiatives. His previous roles include Chief Executive Officer of Queensland Urban Utilities, Chief Operating Officer for the Brisbane City Council, and senior risk management and strategic procurement roles with Fonterra Limited and Fletcher Challenge Limited in New Zealand.

Dr Michael Cleary

Deputy Director-General, Health Service and Clinical Innovation

Dr Michael Cleary is the Deputy Director-General, Health Service and Clinical Innovation, a role he has held since July 2012. He began his employment as an intern at the Gold Coast Hospital in 1984. Since then Michael has worked as an emergency physician and in a number of executive roles.

Michael was previously Executive Director and Director of Medical Services for Logan and Beaudesert hospitals. In April 2010, he was appointed as the Deputy Director-General for the Policy, Strategy and Resourcing division of the department. Michael is a pre-eminent staff specialist, and is a Professor at the School of Public Health at the Queensland University of Technology.

Susan Middleditch

Deputy Director-General, System Support Services

Susan Middleditch was appointed Deputy Director-General, System Support Services in May 2012. Susan has proven professional expertise in driving change and transformation in high performing organisations, specifically corporate services teams. As a certified practicing accountant, Susan has extensive financial and business experience. She also possesses high-level experience in strategic planning, risk management, human resource policy development and commercial finance.

Prior to this role, Susan served as the Chief Finance Officer at the Queensland Department of Employment, Economic Development and Innovation. Susan was responsible for successfully merging nine Queensland Government agencies into one cohesive and efficient department.

In May 2014, Susan was appointed as the Chief Executive, Health Services Support Agency.

Philip Davies

Deputy Director-General, System Policy and Performance

Philip Davies joined the department in May 2013 as the Deputy Director-General, System Policy and Performance. He has significant experience as a health policy professional and has held diverse public and private sector roles in Australia, New Zealand and the United Kingdom.

This has included positions such as Deputy Secretary, Commonwealth Department of Health and Ageing; Senior Health Economist, World Health Organisation; and Deputy Director-General Policy, Ministry of Health New Zealand. Philip also has a long history of involvement at board level in a range of Queensland and national public sector and not-for-profit organisations.

Dr Jeannette Young

Chief Health Officer

Dr Jeannette Young is the Chief Health Officer for Queensland, a role she has held since August 2005. Prior to this, Jeannette held the position of Executive Director of Medical Services at the Princess Alexandra Hospital in Brisbane, and has previously worked in a range of positions in Queensland and Sydney. Her original clinical background is in emergency medicine.

Jeannette has specialist qualifications as a Fellow of the Royal Australasian College of Medical Administrators and has a Fellowship by Distinction from the Faculty of Public Health of the Royal Colleges of Physicians of the United Kingdom. She is an Adjunct Professor at Queensland University of Technology and at Griffith University.

Ray Brown

Chief Information Officer, Health Services Information Agency

Ray Brown's information, communications and technology career spans more than 35 years, predominantly in the public sector. Ray has previously undertaken senior information and communications technology (ICT) roles in community services—including a two-year period working in the not-for-profit sector—corrective services and police. In August 2009, Ray was appointed Chief Information Officer with Queensland Health.

Ray is responsible for providing executive-level leadership, governance, planning, architecture and strategic direction for the provision of ICT services to Queensland Health.

Kathy Byrne

Chief Executive, Health Services Support Agency

Kathy Byrne was the Chief Executive of the Health Services Support Agency (formerly Clinical and Statewide Services) from May 2009 to April 2014.

Kathy has worked in the private and public health sectors for more than 26 years. She has a significant track record in strategic and operational leadership and achievement in five Australian states and territories.

Russell Bowles

Commissioner, Queensland Ambulance Service

Russell Bowles joined the Queensland Ambulance Service in January 1981 as a cadet ambulance officer and was appointed Commissioner in June 2011. His career progression has included a diverse number of frontline operational roles at various locations around Queensland including paramedic, station officer, communications centre supervisor, area manager, Assistant Commissioner and Deputy Commissioner.

Since his appointment as Commissioner, Russell has implemented the Queensland Ambulance Service Structural Reform Program which has resulted in significant service delivery improvements across a range of ambulance performance measures. Russell was awarded the Ambulance Service Medal in the 2005 Australia Day Honours List.

Lyn Rowland

Chief Human Resources Officer

Lyn Rowland's career spans more than 30 years in human resource management and industrial relations within both the public and private sectors. She has held a range of executive roles in Victoria, South Australia, Queensland and Asia.

Lyn joined the department in February 2012 and provides strategic leadership and advice for all human resources matters across Queensland Health. Under her leadership as the Chief Human Resources Officer, Queensland Health has seen significant improvements in the payroll system and the successful implementation of key workforce reform initiatives.

Annette McMullan

Chief Legal Officer

Annette McMullan is the Chief Legal Counsel for Queensland Health and is responsible for the legal and governance branches of System Support Services. Prior to taking up this role, Annette was manager of legal services for the five hospitals within the Metro North Hospital and Health Service.

Annette was admitted as a legal practitioner in the Australian Capital Territory in 2001 and, shortly after her admission in Queensland, worked for Crown Law as a solicitor involved in general litigation work for the State of Queensland.

In 2004, Annette was asked to introduce the role of an in-house solicitor to the Royal Brisbane and Women's Hospital and later this role expanded across the Metro North Hospital and Health Service. Annette has a clinical background in nursing and midwifery and a particular interest in the areas of corporate governance, medical negligence, and professional misconduct.

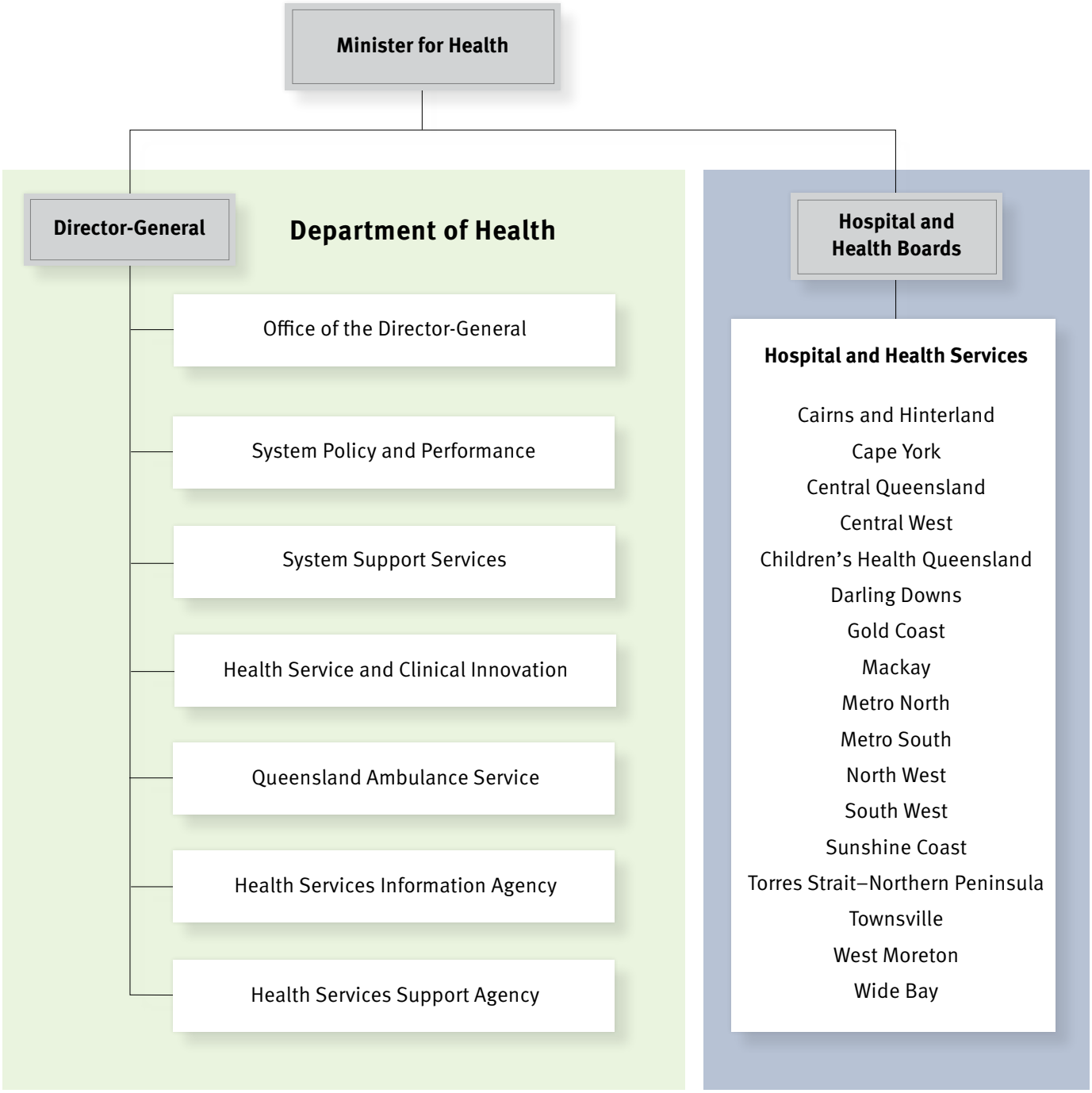
Malcolm Wilson

Chief Finance Officer

Malcolm Wilson was appointed Chief Finance Officer in 2013.

Malcolm has extensive financial and commercial leadership experience gained from senior roles in a number of large complex and geographically diverse private sector organisations.

Queensland Health organisational chart



Please note: This copy of the Department of Health Annual Report 2013–14 was updated on 1 October 2014 from the version published on 30 September 2014. It contains a revised Queensland Health organisational chart.

Related entities

Hospital and Health Services

Queensland's 17 Hospital and Health Services (HHSs) are responsible for the delivery of public hospital and health services. HHSs are governed by independent Hospital and Health Boards, with the exception of Torres Strait–Northern Peninsula HHS which was under the control of an administrator until 30 June 2014.

HHSs are established as statutory bodies under the *Hospital and Health Boards Act 2011*. Each HHS is accountable, through the board chair, to the Minister for Health for local performance, delivering local priorities and meeting national health standards.

The Act requires boards to consist of five or more members with the knowledge, skills and expertise required for the HHS to function efficiently, effectively and economically.

As required by the Act and the Hospital and Health Boards Regulation 2012, boards must establish the following committees:

- an executive committee
- a safety and quality committee
- a finance committee
- an audit committee (under Section 35 of the Financial and Performance Management Standard 2009).

The function of the executive committee is to support the board by working with the health service chief executive to progress strategic issues identified by the board.

The safety and quality committee's purpose is to advise the board on the safety and quality of health services provided by the HHS including:

- minimising preventable patient harm
- reducing unjustified variation in clinical care
- improving the experience of patients and carers
- ensuring compliance with national and state strategies, policies, agreements and standards, such as the National Safety and Quality Health Service Standards.

The finance committee's function is to advise the board on budget, cash flow, financial operating performance, and to assess and monitor financial risks.

The audit committee plays a key role in assessing the HHS's financial statements and its compliance with systems of risk management and internal control.

Transactions of HHSs are accounted for in the financial statements of each HHS.

On 1 July 2014, the Torres Strait–Northern Peninsula HHS and the Cape York HHS were amalgamated to form the Torres and Cape HHS, reducing the number of HHSs to 16.

Ministerial Advisory Committee HIV/AIDS

The Ministerial Advisory Committee HIV/AIDS was established in July 2012 to provide independent advice to the Minister for Health on HIV prevention and awareness in Queensland, including the most effective allocation of funds to minimise future HIV transmission.

In 2013–14, the committee met three times. Total on-costs for the year were $6389.

The HIV Foundation Queensland was established on 1 December 2013 as a new statutory body under the *Hospitals Foundations Act 1982* to replace the Ministerial Advisory Committee HIV/AIDS. The foundation's role includes managing prevention and education activities, and facilitating the purchase of treatment options to support HHSs. The foundation also has the ability to fundraise and support research activities.

Treatment delivery continues to be provided through HHSs and the private sector, with the foundation providing recommendations on alternative treatment arrangements (public-private partnerships). The foundation's objectives include:

- providing independent advice to the Minister for Health on HIV prevention awareness in Queensland
- facilitating and developing health promotion messages relating to HIV across all population groups
- facilitating the purchase of treatment options and prevention services and providing advice on new service delivery models for HIV treatment
- releasing position papers which provide expert advice for partners within Queensland
- working with universities and academic institutions, including the foundation's partner university—the

University of Queensland where the Queensland Professorial Chair for HIV/STIs will be located—to promote the growth of HIV-related research led from within Queensland.

The establishment of a foundation and the appointment of a board provides a greater degree of independence in terms of decision-making, setting funding and research priorities and establishing stronger community engagement and innovative fundraising approaches.

Council of the QIMR Berghofer Medical Research Institute

The Council of the QIMR Berghofer Medical Research Institute was established in 1945 under the *Queensland Institute of Medical Research Act 1945*. Its function is to ensure the proper control and management of the QIMR Berghofer Medical Research Institute, which was established for the purposes of conducting research into any branch or branches of medical science.

Health Quality and Complaints Commission

The commission was established under the *Health Quality and Complaints Commission Act 2006* and is responsible for independent review and management of complaints from anyone in relation to health service delivery and for monitoring quality and safety in all public and private health services. The Commission ceased operation on 30 June 2014 in light of the establishment of the Office of the Health Ombudsman under the *Health Ombudsman Act 2013*.

Hospital foundations

Hospital foundations are constituted as statutory bodies under the *Hospitals Foundations Act 1982*. Hospital foundations aim to acquire, manage and apply property and any associated income to continuing projects within or associated with their respective associated hospitals.

The foundations are administered by voluntary boards appointed by the Governor in Council on recommendation of the Minister for Health. There are 14 foundations:

- Bundaberg Health Services Foundation
- Children's Hospital Foundation Queensland
- Far North Queensland Hospital Foundation
- Gold Coast Hospital Foundation
- HIV Foundation Queensland
- Ipswich Hospital Foundation
- Mackay Hospital Foundation
- PA Research Foundation
- Redcliffe Hospital Foundation
- Royal Brisbane and Women's Hospital Foundation
- Sunshine Coast Health Foundation
- The Prince Charles Hospital Foundation
- Toowoomba Hospital Foundation
- Townsville Hospital Foundation.

Queensland Mental Health Commission

The Queensland Mental Health Commission was established on 1 July 2013 under the *Queensland Mental Health Commission Act 2013*. The commission seeks to improve the mental health and wellbeing of all Queenslanders and minimise the impact of substance misuse in our communities by:

- 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.

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.

Mental Health Court

The Mental Health Court was established under the *Mental Health Act 2000*. Its primary function 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.

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 with special powers of inquiry into the lawfulness of detention of people in authorised mental health services.

Mental Health Review Tribunal

The Mental Health Review Tribunal is an independent statutory body established under the *Mental Health Act 2000* and is comprised of a president and other members, including lawyers, psychiatrists and other people with relevant qualifications and experience.

The tribunal's primary purpose 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.

Panels of assessors

Panels of assessors were originally established under the *Health Practitioners (Disciplinary Proceedings) Act 1999* to assist the Queensland Civil and Administrative Tribunal with disciplinary matters about a registrant, other than disciplinary matters that may, if proved, provide grounds for suspending or cancelling the registrant's registration.

With the repeal of Queensland's health practitioner registration legislation, the panels operate under transitional provisions of the Health Practitioner Regulation National Law to deal with any matters opened, but not concluded prior to health professions' transition to the national registration scheme.

Radiation Advisory Council

The Radiation Advisory Council was established under the *Radiation Safety Act 1999*.

The council's functions are:

- to examine and make recommendations to the Minister for Health about the operation and application of the Act, proposed amendments, radiation safety standards and issues on radiation
- conduct research into radiation practices and transport of radioactive materials in Queensland.

Annual reporting arrangements for statutory agencies

Table 3 outlines the annual reporting arrangements for statutory agencies in the health portfolio.

Table 3: Annual reporting arrangements for statutory agencies as at 30 June 2014

Agency	Constituting Act	Reporting arrangements
Council of the QIMR Berghofer Medical Research Institute	*Queensland Institute of Medical Research Act 1945*	Annual report to Queensland Parliament
Health Quality and Complaints Commission	*Health Quality and Complaints Commission Act 2006*	Annual report to Queensland Parliament
HHSs (17)	*Hospital and Health Boards Act 2011*	Annual report to Queensland Parliament
Hospital foundations (14)	*Hospitals Foundations Act 1982*	Annual report to Queensland Parliament
Director of Mental Health (1) Mental Health Court (1) Mental Health Review Tribunal (1)	*Mental Health Act 2000*	Annual report to Queensland Parliament
Queensland Mental Health Commission	*Queensland Mental Health Commission Act 2013*	Annual report to Queensland Parliament
Professional Conduct Review Panels (17)	*Health Practitioners (Disciplinary Proceedings) Act 1999*	Annual report to the Minister for Health
Radiation Advisory Council	*Radiation Safety Act 1999*	Annual report to the Minister for Health

Cost of statutory agencies

Table 4 outlines costs associated with those entities in the health portfolio that are not required to prepare separate financial statements.

Table 4: Cost of statutory agencies 2013–14

Agency	Cost ($)
Ministerial Advisory Committee HIV/AIDS	$6,389
Mental Health Court	$431,086
Mental Health Review Tribunal	$4,180,000
Panels of Assessors	$8,100
Radiation Advisory Council	$11,054

Boards and committees

Queensland Health mapped its committees to understand their inter-relationships; their purpose, statutory obligations, and scope of work they undertake; and their role in decision-making and other project work. This process included both internal committees (that may include external representation) and external committees that include Queensland Health representation.

The process identified a large number of committees that could be closed, realigned or consolidated. The change impact, together with mitigating actions, is being systematically assessed and developed with each impacted division. This has already resulted in system efficiencies.

Health Services Support Agency Advisory Board

The Health Services Support Agency Advisory Board consists of HHS executive and board representatives, and is chaired by Professor Gary Sturgess.

The board, which meets on a quarterly basis, provides authoritative stakeholder advice to the chief executive on providing HHSs with client-focused statewide services that deliver a quality product at an affordable price. In 2013-14, the board's related expenses were $13,033.

Occupational Health and Safety Steering Committee

The purpose of the Queensland Health Occupational Health and Safety Steering Committee is to:

- report on occupational health and safety performance by reviewing the following, including escalation to the Chief Human Resources Officer and the Director-General as appropriate
  - results from audits
  - learnings and outcomes from incidents and subsequent investigations
- review system-wide strategy, policy and standards
- provide occupational health and safety assurance to the Director-General
- liaise and collaborate with HHSs
- set system-wide objectives and targets in line with government policy direction
- review transition requirements for occupational health and safety tasks being devolved to HHSs, including the identification and mitigation of transition risk to business continuity
- ensure all strategies are coordinated, integrated and aligned to the broader Queensland Health strategic direction and priorities
- review key risks and control strategies for continual improvement and compliance
- identify emerging hot spots and review for further control measures
- oversee legislative changes.

The committee's function is to:

- report to the Chief Human Resources Officer and the department's Executive Management Team
- provide advice and recommendations to the Executive Management Team
- receive reports from HHSs, Health Services Support Agency, Queensland Ambulance Service, Health Services Information Agency, the department's divisions and any sub-committees.

The committee met 12 times in 2013–14.

Ministerial Health Infrastructure Advisory Council

The Ministerial Health Infrastructure Advisory Council was established on 17 December 2013 to drive innovation and achieve better value for money in the delivery of health infrastructure in Queensland as set out in the *Blueprint for better*

healthcare in Queensland. Through the establishment of the council—of which the majority of members are from the private sector—a Health Partnership Framework is being established to enable partnership with the private sector. Through this partnership, the cultivation of innovative infrastructure solutions to current and future health service needs in Queensland are being reviewed and recommended. Other objectives of the council are to:

- serve as a portal to ensure uniform and robust treatment of new health business opportunities involving private and non-government sectors
- support the delivery of innovative clinical services, research, and education programs
- promote modern infrastructure standards that are practical and flexible, ensuring capital projects are delivered at the lowest cost while preserving longevity.

In 2013–14, the council met five times. The council's related expenses were $52,200.

Patient Safety Board

The Patient Safety Board was established under the *Hospital and Health Boards Act 2011* to monitor the performance of HHSs and take remedial action when patient safety performance does not meet the expected standard. This is achieved by:

- monitoring and reviewing facility performance against key patient safety indicators and initiating remedial action where appropriate
- identifying, reviewing and monitoring significant statewide patient safety issues
- advising the Performance Management Executive Committee on HHS patient safety performance and significant statewide patient safety issues.

Board meetings are held quarterly and include:

- Deputy Director-General, Health Service and Clinical Innovation (chair)
- Executive Director, Health Systems Innovation Branch
- Executive Director, Rural and Remote Clinical Support
- a representative of the Queensland Clinical Senate
- two consumer representatives—metropolitan and regional/remote
- a HHS chief executive
- a clinical governance representative
- five nominated clinical representatives—medical, surgical, maternity, mental health and paediatrics
- an expert in patient safety and quality monitoring with a statistical/epidemiological background
- Senior Director, Patient Safety Unit
- Director, Communicable Diseases Unit
- Chief Psychiatrist, Mental Health Alcohol and Other Drugs Branch.

Council of Ambulance Authorities

The Council of Ambulance Authorities is the peak body representing the principal statutory providers of ambulance services in Australia, New Zealand and Papua New Guinea. The council was formally incorporated in December 2002, having operated as a convention of the ambulance services of Australia, New Zealand, and Papua New Guinea since 1962.

The council aims to provide leadership in the delivery of ambulance services in Australia, New Zealand and Papua New Guinea. This provides an important platform for the exchange of information and ideas between member services and achievements including the development of common standards, research, benchmarking and improved levels and quality of services, which has enhanced the delivery of ambulance services to the community.

Membership of the council includes the principal providers of ambulance services in each state and territory of Australia, New Zealand and Papua New Guinea. The board consists of the chief executives of each member service.

Clinical Redesign and Innovation Board

The Clinical Redesign and Innovation Board was established to provide governance and oversight of the Health Innovation Fund.

The functions of the board are to:

- endorse application and assessment systems and processes
- make funding approval decisions and the quantum of funds allocated from the Health Innovation Fund to support each project over a defined period of time

- monitor the implementation and performance of approved projects
- establish an evaluation framework that identifies the achievement of outcomes at each stage of project implementation and the return on investment to Queensland Health
- provide strategic advice on good practices and system constraints that support or hinder the health service improvement or clinical redesign initiatives across the state
- identify skills gaps and areas for improving the capacity of the workforce to design solutions and lead change across the system.

Clinical Workforce Board

The Clinical Workforce Board was established in March 2013 to provide leadership, set strategic direction, and support the integration of statewide strategic clinical workforce planning and reform activities across Queensland.

The board promotes a holistic and comprehensive approach to clinical workforce planning through engagement with key stakeholders including the government, private and not-for-profit sectors, industry interest groups, professional bodies, and higher education providers.

The board functions under the authority of the Director Deputy-General, Health Service and Clinical Innovation. Membership is comprised of HHS representatives, department senior management, clinical leads and key stakeholders, such as the Queensland Clinical Senate and Health Consumers Queensland.

Queensland Clinical Senate and statwide clinical networks

The Queensland Clinical Senate provides a multi-disciplinary forum for clinicians to share their collective knowledge in the deliberation of strategic clinical issues and to make recommendations to the department and HHSs on how to deliver the best care to Queenslanders.

In addition, Queensland has 18 key statewide clinical advisory networks which review current procedures and help inform the department on strategic clinical issues. Strong links between the clinical networks, local clinicians and HHSs encourage the spread of innovative models of care and service delivery across the healthcare system. The clinical networks and advisory groups work with Queensland Health and with external health services to support improved patient flow through the healthcare system.

Mount Isa Lead Health Management Committee

The Mount Isa Lead Health Management Committee was established in 2012 and is chaired by the Chief Health Officer. The committee's main objective is to strengthen health management strategies to ensure young children in Mount Isa are protected from the harmful effects of lead in the environment, which is a critical action under the Mount Isa Lead Health Management Strategic Plan 2013–2016, developed in May 2013.

Under the oversight of the committee, the North West Hospital and Health Service is proposing to implement a new blood lead testing program for children under the age of five in Mount Isa. The Living with Lead Alliance, a Mount Isa-based organisation, has strengthened its health promotional activities to improve the reach of safe lead health messages in the community.

A Brisbane based inter-agency working group, chaired by the department, has been established to review and monitor emerging scientific evidence related to lead health issues including departmental policies and procedures to ensure consistent approach by government agencies.

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.

In 2013, the department provided online code of conduct and ethical decision making training—based on the code's ethics principles—to Queensland Health employees, with 4992 and 2281 employees respectively completing the courses during the year.

From February 2014, a mandatory *Ethics, integrity and accountability* online course was made available to all Queensland Health employees—apart from the Queensland Ambulance Service—combining code of conduct and ethics content in a contemporary learning format. The course replaced previous online courses and is focused primarily on the public sector ethics principles (code of conduct) and ethical decision making. It also incorporates key information relating to fraud, corruption and misconduct, and public interest disclosures.

Online training covering the code's ethics principles and a model for ethical decision-making was also made available to all Queensland Ambulance Service employees.

In 2013-14, the department began leadership development tailored for, and targeted to, first-line supervisors and leaders. Among the initiatives, the public sector-wide program Practical People Management Matters was modified for application to Queensland Health. Practical People Management Matters for Health aims to ensure supervisors and leaders are aware of their people management responsibilities. These include, monitoring staff attendance, time sheets, rosters and leave management. The program also emphasises the role leaders play in conducting themselves, providing a role model, and ensuring their staff conduct themselves in a manner consistent with the code of conduct.

Cultural renewal

In 2013–14, the department implemented a strategic response to the public service renewal agenda driven by results from the 2013 Working for Queensland Employee Opinion Survey and the Better Ways of Working report. The strategic response identified priority improvement opportunities in the areas of:

- setting a clear vision for the future
- improving communication
- developing leadership capability
- reducing bureaucracy.

The strategic response coordinated efforts across the department, aimed at addressing these priority areas to embed new public service values within the organisation.

In May 2014, the department participated in the 2014 Working for Queensland Employee Opinion Survey, which measures the extent of impact these interventions have had upon the working culture within the organisation and inform future organisational development.

Governance—risk management and accountability

Risk management

Queensland Health has developed the Risk Management program to align with the revised Department of Health Risk Management Policy suite.

Risk and Governance Unit

The Risk and Governance Unit's business plan also principally aligns with the Department of Health Strategic Plan 2012–2016 (specifically governance and Innovation strategies 5.1, 5.6 and 5.7).

The outcomes of risk management and governance have enabled and supported delivery of strategic objectives and the establishment of effective governance and risk management to moderate the risk to achieving those objectives, strategies and activities that form the strategic plan.

Key outcomes for 2013–14 include:

- partnering with Hospital and Health Services (HHSs) to understand health system-wide risks
- regular executive risk profile reporting and oversight both to the executive management team and Audit and Risk Committee
- improved risk management and governance maturity by further embedding practices in business as usual
- established a compliance framework review for general legislation compliance to support effective monitoring and reporting against general legislation compliance
- risk framework review including policy, procedure, implementation plan and revised risk matrix
- fraud risk and control improvement project to address Crime and Misconduct Commission report—fraud, financial management and accountability in the Queensland public sector
- training undertaken to improve effective update and understanding of general legislation and risk management systems and responsibilities
- risk management training for executives and managers
- health system-wide risk planning
- regular meetings of key working groups for risk management and fraud control.

Ethical Standards Unit

The Ethical Standards Unit is the department's central point for receiving, reporting and investigating allegations of suspected official misconduct under the *Crime and Misconduct Act 2001* and public interest disclosures under the *Public Interest Disclosures Act 2010*.

The unit enables the Director-General to fulfil the statutory obligation to report public interest disclosures to the Queensland Ombudsman and allegations of suspected official misconduct to the Crime and Misconduct Commission. Allegations referred back to the department by the commission are investigated or monitored by the unit.

The unit managed 78 complaints of official misconduct comprising of 160 allegations, and reviewed and advised the department's executives and work units on a further 248 matters. A further 47 complaints were received and reviewed by the unit and found to relate to HHS staff or weren't within the department's jurisdiction. These were referred to the commission for consideration and necessary action.

In addition to investigating matters for the department, in 2013–14 the unit continued to investigate five HHS matters and was appointed on a further six occasions by the Director-General—under the *Hospital and Health Boards Act 2011*—to investigate within a HHS.

Continuing with the unit's focus on fraud and misconduct prevention by raising ethical awareness and promoting integrity in the workplace, 4714 staff completed ethics and fraud awareness training. The development and release of comprehensive online training allowed employees who work shift work or those who are located in remote areas to complete the required mandatory training.

External scrutiny

Fraud Risk Management Report 9

Queensland Health implemented all of the recommendations made by the Queensland Audit Office Fraud Risk Management Report 9.

Operation Proxima

The Crime and Misconduct Commission also released Operation Proxima: Prevention Report and Recommendations in July 2013.

The report was prepared solely for the department and provided 14 specific recommendations stemming from the commission's investigative findings into the $16.69 million fraud perpetrated on Queensland Health.

The public report identified five main areas in which all public sector agencies should be particularly vigilant including:

- financial management
- managerial standards and accountability
- acceptance of gifts and benefits
- managing risk in a context of organisational change
- fraud awareness and prevention.

Of the 14 recommendations, seven recommendations were accepted with six partially accepted and one recommendation considered to be perpetual as it is fundamental to continued strong governance and risk management through times of organisational change and reform.

Overall, significant work continued in 2013–14 on expenditure and control processes in the department, including a major review of internal financial controls and approval processes, managing fraud risk along with fraud awareness and training.

The department's Audit and Risk Committee and Fraud and Corruption Control Working Group overviewed the implementation of the recommendations, which were substantially completed.

Fraud, financial management and accountability

The Crime and Misconduct Commission's Fraud, Financial Management and Accountability in the Public Sector report was tabled in Parliament in September 2013. The recommendations have progressed within the department through the Fraud Awareness Month campaign and individual recommendation owners.

The department considered the overall advice in the public report when reviewing and implementing the recommendations in the department's prevention report.

Payroll system review

The department continued to progress initiatives to address recommendations of the KPMG Review of the Queensland Health Payroll System tabled in the Queensland Parliament on 6 June 2012, through:

- recovery of overpayments including full implementation of automated recovery and the ability for staff to make self-initiated repayments online
- providing line managers with access to Workbrain (Queensland Health's rostering solution) reports, rosters and employee information to improve their workforce management practices
- upgrade of Queensland Health's rostering and payroll solutions to the current vendor supported versions (completed in April 2014).

The Queensland Ambulance Service continues to use the payroll system that was in place prior to the machinery-of-government changes and transition to the Department of Health.

Payroll Commission of Inquiry

The Commission of Inquiry into the implementation of the Queensland Health payroll system began 1 February 2013. Following submissions and extensive public hearings, the Commissioner's report was provided to the Queensland Premier on 31 July 2013. The government's response to the report was tabled in Parliament on 20 August 2013 by the Minister for Science, Information Technology, Innovation and the Arts.

The department supported implementation of the report's recommendations through the establishment of a Queensland Health Payroll Planning Group to oversee detailed planning for the replacement of the Queensland Health payroll system.

Safety management system audits

As part of Queensland Health's safety assurance model, HHSs undergo a biennial safety management system audit. The audit is conducted by an external provider in accordance with Australian Standard/New Zealand Standard 4801: 2001 Occupational health and safety management systems. In 2013–14, nine HHSs completed the audit requirements and were provided with a copy of their detailed audit findings for review and action

Queensland Ambulance Service audit report

The Queensland Audit Office performance audit report regarding the Queensland Ambulance Service was tabled in Parliament on 6 May 2014. The report examined the operational effectiveness of the Queensland Ambulance Service, focusing on service access and responsiveness, performance monitoring and reporting systems.

The report concluded that the Queensland Ambulance Service:

- performs well, compared to other jurisdictions
- has maintained its standards of emergency and pre-hospital care for patients, and provided equitable access to all Queenslanders
- uses evidence-based innovative clinical practices to drive excellence in service quality
- has a mature and robust performance measurement and reporting framework that measures and reports performance information effectively
- focuses appropriately on clinical outcomes for patients, and despite a significant increase in demand over the last five years, it has maintained better statewide response times compared with other Australian ambulance services
- responds to Code 1 emergency incidents, on average, quicker than any other Australian ambulance service, but does not meet some of its own internal targets for dispatch times and Code 2 responses
- was the second most costly Australian service for 2012–13, based on the cost efficiency measure of expenditure per head of population—in part, this was attributable to Queensland's geography, as the Queensland Ambulance Service strives to maintain equity of access for regional and rural Queenslanders. The Queensland Ambulance Service also has more locations and more staff per head of population, more qualified staff, and relies upon fewer volunteers and first responders than most other jurisdictions.

The Queensland Audit Office report made four recommendations.

Audit and Risk Committee

The Audit and Risk Committee provides independent audit and risk management advice to the Director-General to assist in the discharge of financial management responsibilities imposed under the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009. It performs an advisory role to the Director-General and works in accordance with its charter and Queensland Treasury's Audit Committee Guidelines.

As a result of machinery-of-government changes effective 1 October 2013, the Queensland Ambulance Service Deputy Commissioner was added as a committee member. Membership includes:

- Ian Maynard—Director-General, Queensland Health (Chair)
- Len Scanlan—external (Deputy Chair)
- Ken Brown—external
- Susan Middleditch—Deputy Director-General, System Support Services
- Dr Judy Graves—Executive Director Medical Services, Royal Brisbane and Women's Hospital, Metro North Hospital and Health Service
- Lisa Dalton—external
- Chris Johnson—external
- David Eeles—Deputy Commissioner, Queensland Ambulance Service

During 2013–14, the committee met on a total of nine occasions to assist in overseeing:

- integrity of the annual financial statements and internal controls
- performance of the internal audit function
- audit recommendations were being implemented in line with expectations
- other matters that required high level decisions in improving the overall corporate governance framework of the agency.

As part of its functions, the Audit and Risk Committee focuses particular attention to the issues raised by the Queensland Audit Office and ensures that all recommendations raised, including those pertaining to performance audit recommendations, are actioned in a timely fashion.

Costs associated with external committee members' fees totalled $32,085.

In 2013–14, the committee:

- reviewed the integrity of the 2012–13 annual financial statements
- assessed the performance of the internal audit function and monitoring progress of the annual audit plan
- reviewed progress in implementing various strategies around risk management throughout the agency and assisting to build risk management capability within the department
- ensured issues raised by the Queensland Audit Office in relation to financial, compliance, information technology and performance reviews were appropriately actioned
- reviewed outcomes from various reports ensuring satisfactory effort is made to implement recommendations.

Internal audit

Internal audit is a key component of the department's corporate governance, providing independent and objective business assurance and consulting services designed to add value and enhance operations.

The Chief Governance Officer is the head of internal audit and is directly accountable to the Director-General for leading an effective and efficient internal audit function, and is responsible for ensuring the internal audit activity meets its objectives delivered via a co-sourced service model. The Internal Audit Unit operates in accordance with its charter and provides regular feedback to the Audit and Risk Committee on progress of activities planned under the strategic and annual audit plans, including assessment of key themes emerging from the audits undertaken.

The Internal Audit Unit plays a pivotal role in improving operational processes and financial practices by:

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

During 2013–14, internal audit activities centred on key governance processes across the department, with audits being completed on:

- continued partnering with the risk management unit, providing input to the effectiveness of stated controls and identification of new or emerging risks
- delivery of planned audit activities, including revisions catering for the merger of the Queensland Ambulance Service into the department
- wide-coverage of business activities, including compliance, financial, operational, information systems and project governance audits
- follow-up on progress of implementation of agreed audit recommendations and reporting through to the Audit and Risk Committee
- significant contribution to the whole-of-government corporate services review.

In addition, the Internal Audit Unit continued to provide executive and senior management with advice and assistance on day-to-day business operations, particularly in relation to governance activities associated with managing capital and operational projects.

The Workforce Management and Payroll Solutions Upgrade Project was a significant department project and Internal Audit Unit contributed to the successful implementation of the project, undertaking and coordinating several pieces of assurance activity in relation to various phases of the project.

Public sector renewal program

Contestability

Since its establishment in January 2013, the department's Contestability Branch has continued to lead and coordinate contestability reforms for the public health system, working across the department and HHSs to review services, encourage innovation and create opportunities and partnerships that support improved service delivery outcomes.

This has enabled the creation of greater opportunities and partnerships with the public, private and not-for-profit sectors to encourage innovation and smarter thinking, ensuring the healthcare system meets the needs of Queenslanders. The Partner with Queensland Health initiative has provided vendors with an additional channel to begin talking about how they can collaborate with the department to deliver improvements to the healthcare system which are being sought.

Health reform

Health reform is well underway, with the *Blueprint for better healthcare in Queensland* providing a clear vision for the future of Queensland's health system. The department is focussed on completing the major system-level reform initiatives included in the Commission of Audit recommendations and noted in the Agency Renewal Plan, delivering on the blueprint recommendations and achieving improvements through redesigning health processes.

Strong relationships have been built with the Department of Premier and Cabinet to implement Queensland Health's renewal agenda. The department has shared identified improvements with other agencies and presented on several occasions to both the Renewal Oversight Committee and Public Sector Renewal Board, including a Director-General presentation in May 2014.

The Health Renewal Portfolio Board oversees reform and the Queensland Health Renewal Taskforce role has been one of influencing, leading, supporting and promoting initiatives to create the platform for change.

Key achievements include:

- progression of non-urgent patient transport
- establishing annual contracts valuing $7 million for hospital in the home services
- Low Acuity Response Unit pilot—explored demand management to reduce demand on highly specialised emergency ambulance resources
- the *Strengthening health services through optimising nursing strategy and action plan 2013-2016* approved by the Minister—addresses productivity, care and efficiency improvements in nursing services across Queensland
- increased transparency and accountability by regular public reporting of key performance indicators in the media and the Queensland Health website.

Queensland Health will continue to progress more than 60 initiatives to successfully deliver against the relevant Commission of Audit recommendations.

Information systems and recordkeeping

Clinical records

In 2013–14, two new publications were released aimed at supporting the department in the management of clinical records:

- Clinical Records Management Policy
- Retention and Disposal of Clinical Records Protocol.

The Health Sector Clinical Records Retention and Disposal Schedule (QDAN 683) provides minimum retention periods for which clinical records across HHSs and the department must be maintained.

To ensure currency, the department commenced a review of the schedule. This was a significant undertaking involving the review of legislations and regulatory requirements affecting clinical records. Consultation with HHSs and key regulatory bodies will be undertaken throughout 2014.

Electronic document and records management

The electronic document and records management system (eDRMS) platform service was introduced during 2013–14. The service provides eDRMS solutions to the department, HHSs and affiliate organisations dependent on their individual business requirements.

The department and a number of HHSs have progressed towards eDRMS implementations. The implementation of this capability will complement the department's continued commitment to improving recordkeeping practices and complying with the required legislative and information standard requirements.

More than 320 department employees have completed the Introduction to Recordkeeping online training module, with approximately 130 of these employees also completing the Records Management Basics module. Development of the Health Sector (Functional Records) Retention and Disposal Schedule is also progressing.

Furthermore, as a result of machinery-of-government change, the department accepted the transfer of responsibility of Queensland Ambulance Service public records from the Public Safety Business Agency on behalf of the former Department of Community Safety. The department has also transferred responsibility for the records of community helicopter providers to the Public Safety Business Agency.

Governance—human resources

Workforce planning, attraction and retention, and performance

Workforce profile

Queensland Health employed 70,400 full-time equivalent (FTE) staff as at the end of 2013–14. Of these, 10,424 FTE staff were employed by and worked in the department. The remaining 59,976 FTE staff were either:

- employed by the department and contracted to HHSs under service agreements between the Director-General and each HHS
- health executives engaged directly by HHSs.

Of the 10,424 FTE staff working in the department, 3882 FTE staff work in the Queensland Ambulance Service (which transitioned to the Department of Health through a machinery-of-government change effective on 1 October 2013).

A further 4038 FTE staff work in two centralised business units—Health Services Support Agency and Health Services Information Agency—which have adopted commercialised business approaches and provide statewide services.

Table 5: Department of Health workforce profile—appointment type and gender

2013-14 FTE staff	Permanent	Temporary	Casual	Contract	Total
Female	4,408	898	43	38	5,387
Male	4,303	620	56	58	5,037
Total	8,711	1,518	99	96	10,424

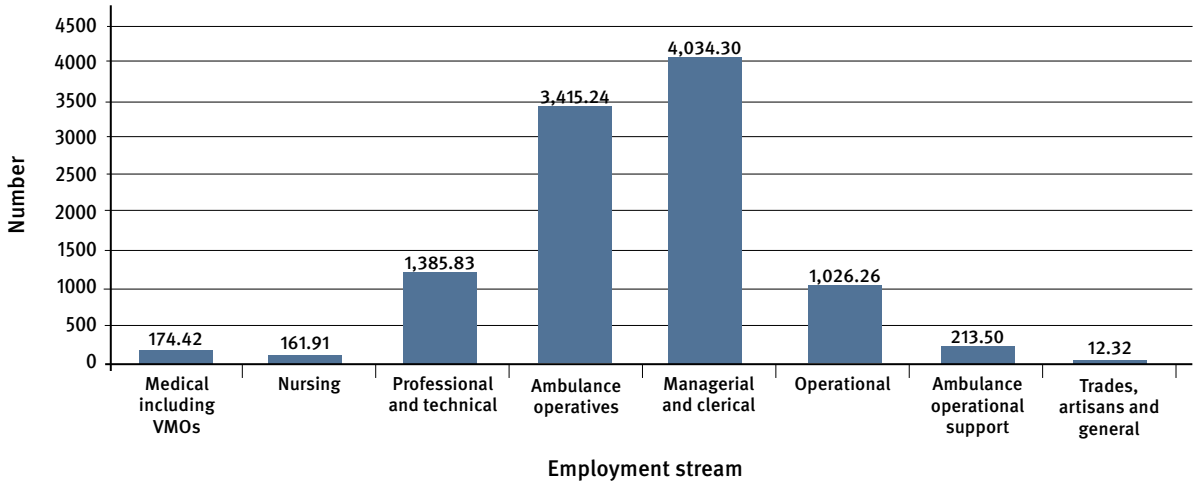


Figure 4: Department of Health workforce profile—employment stream 2013–14

Approximately 39 per cent of staff working in the department were managerial and clerical employees and 33 per cent were ambulance operatives.

In 2013–14, the average fortnightly earnings for staff working in the department was $3126 for females and $3820 for males.

The department's separation rate for 2013–14 was six per cent and describes the number of FTE permanent employees who separated during the year as a percentage of FTE permanent employees.

The Queensland Ambulance Service is comprised of three workforce categories including ambulance operatives, operational support personnel, and other support personnel. Ambulance operatives include patient transport officers, paramedics, officers in charge, and emergency medical dispatchers. Operational support includes clinical educators, operational managers, quality assurance, and fleet and property. Other support personnel include human resources, finance, information technology and administration roles.

Recruitment services

In 2013–14, enhancements to recruitment systems for applicant management and tracking and secure end-to-end management of criminal history checks and employees surplus to organisational requirements were implemented.

The department also supported recruitment of Queensland Health's most senior executives in partnership with executive search firms with national and international reach. These partnerships resulted in the successful placement of 14 senior executives across Queensland Health.

The department provided strategic advice on recruitment and selection initiatives and assisted HHSs to develop capability through recruitment and selection activity. In 2013–14, a strategic recruitment and talent sourcing strategy using professional social networks enhanced Queensland Health's recruitment activities and access to quality candidates.

Pre-employment screening

New employees are screened to ensure the safety and security of employees, volunteers and members of the community who rely on or receive services provided by Queensland Health, and to maintain public confidence in the integrity of staff.

In 2013–14, pre-employment screening processes for Queensland Health were refined and streamlined, including system enhancements to support pre-employment criminal history checking.

During 2013–14, 19,402 pre-employment screening activities were undertaken for Queensland Health (other than Queensland Ambulance Service), including 14,345 criminal history checks, 4050 aged care checks, 946 working with children checks and 61 Corrective Services screening processes. Of these assessments, approximately 390 applicants were identified as potential risks and referred for further review and decisions regarding employment suitability.

In 2014, the department undertook significant planning to support the transition of responsibility for pre-employment screening to HHSs. The transition will occur when HHSs become prescribed as employers.

The Queensland Ambulance Service has been undertaking criminal history checks for ambulance operatives—including volunteers—for a number of years and commenced undertaking criminal history screening for all employees in 2013–14. Work has been undertaken to integrate and align these processes with the department.

Employee performance and development

The department's performance and development planning process was refreshed in 2013–14 as part of the cultural renewal agenda, with an emphasis on clear performance expectations, career progression and succession planning.

The department undertook a range of development activities in 2013–14 to improve the capability of Queensland Health employees including:

- training for 33 senior Queensland Health managers and executives to expand their capability in applying contestability principles—these leaders are now equipped with the requisite knowledge to maximise benefit for Queensland through contestability initiatives
- the development of tools to assist Queensland Health to attract and retain Aboriginal and Torres Strait Islander people, including a program promoting access to cadetship programs to grow health professionals and traineeship programs for general entry-level positions
- supporting six policy officers to undertake a Graduate Certificate in Policy Analysis to gain exposure to the most contemporary methods of policy analysis and evaluation

- at 30 June 2014, 16 Queensland Health employees were enrolled in the Public Sector Management Program supported by the Public Service Commission—employees from all levels of government participate in this program, which leads to a pre-eminent university qualification for emerging leaders in the Australian public sector
- supporting the Aboriginal and Torres Strait Islander Leadership Entry Program targeting potential Aboriginal and Torres Strait Islander officers with an aim of increasing Aboriginal and Torres Strait Islander leadership across Queensland Health.

Employee opinion survey

In late 2013, the department received results from the Working for Queensland Employee Opinion Survey which was coordinated by the Public Service Commission in June 2013. The survey explored key workplace issues including organisational leadership, job empowerment, and learning and development. The department (excluding Queensland Ambulance Service) achieved an overall response rate of 49 per cent, ensuring the survey provided a valuable insight to employee perceptions of organisational climate and performance and the drivers for strengthening employee engagement and workplace outcomes.

The 2013 survey results were used to develop workforce improvement strategies and formed the foundation for the department's Cultural Renewal—A Strategic Response.

Some key achievements included:

- Leadership Development Strategy
- increased communication with staff from the Director-General using a variety of channels including video messaging, road shows, regular email broadcasts and attendance at staff forums and meetings
- streamlined recruitment process through roll-out of an enhanced recruitment management system (Springboard).

For the Queensland Ambulance Service, some key achievements arising from the 2013 survey results included:

- the development and implementation of the Classified Officer Development Program focussing on the development of leadership skills and knowledge to frontline supervisors
- improved internal communication through mechanisms such as regular Commissioner updates
- local level action planning through focus groups.

In May 2014, the department participated in the 2014 Working for Queensland Employee Opinion Survey.

Review of staff support services

The Queensland Ambulance Service, in collaboration with Queensland University of Technology, completed an external examination of the services provided by the Queensland Ambulance Service Staff Support Services (Priority One). This examination was part of an ongoing proactive process to ensure the Staff Support Service is continuing to meet the needs of Queensland Ambulance Service personnel and to ensure it is providing the best psychological care.

The review demonstrated that this multilayered and comprehensive program not only meets the needs of Queensland Ambulance Service personnel who are exposed to trauma in their work roles, but it significantly contributes to lower levels of secondary traumatic stress and burnout and higher levels of resilience and belonging within the organisation.

Absence management

In January 2013, a collaborative working group formed to address Queensland Health's level of unplanned absenteeism identified in the Auditor-General's report Managing Employee Unplanned Absence (Report 4, June 2012). A Guideline for Absence Management was developed to assist line managers to fulfil their responsibilities to identify and proactively manage unplanned absenteeism, including taking appropriate action when there are attendance concerns at an individual level.

A 12-week pilot was conducted across a variety of occupational streams and work units in some HHSs as well as the department, and survey feedback obtained from the pilot sites resulted in enhancements to the guideline prior to statewide publication in May 2014.

Industrial relations reforms

Queensland Health embarked on a number of industrial relations reforms to deliver simpler, easy-to-understand employment arrangements that will underpin ongoing improvements in patient care and ensure a sustainable public hospital system for the future.

Queensland Health industrial awards are being modernised under the supervision of the Queensland Industrial Relations Commission to ensure basic

employment arrangements are simpler to understand and more closely aligned with broader community standards.

Further simplification of employment arrangements within certified agreements is being driven through enterprise bargaining, ensuring we achieve the right balance between fair conditions for employees, enhanced local decision-making, and value for Queenslanders.

Flexible work arrangements

The department values the contribution of workers with family responsibilities to the delivery of quality health services. The department recognises employees' needs to balance their work and family life and is committed to supporting employees in achieving a work-life balance. A range of flexible working options and leave provisions are provided and include:

- 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 1558 part-time employees and more than 88 per cent of these are females.

Leadership development

A department-wide Leadership Development Strategy was approved for implementation on 4 March 2014. The two-and-a-half year strategy targets management and leadership capability at all levels of the organisation, from supervisors to executives.

The strategy focuses on four key priority areas:

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

Implementation of the strategy commenced in April 2014 with delivery of performance and development planning workshops for supervisors. These workshops equipped supervisors with the necessary knowledge and skills to conduct effective performance discussions with staff. At 30 June 2014, 493 supervisors had attended this training. The first cohorts of supervisors also commenced the Practical People Management Matters for Health program, which is designed to assist new supervisors to lead teams of people.

A pilot mentoring program was also developed and delivered for staff in System Support Services. The program aimed to transfer knowledge and leadership capability from senior executives to aspiring leaders within the division. In March and April 2014 the first two cohorts of the program commenced work with their respective mentors. The program will be evaluated in August 2014 and will inform the design and development of a department-wide mentoring program scheduled for roll-out in the second half of 2014.

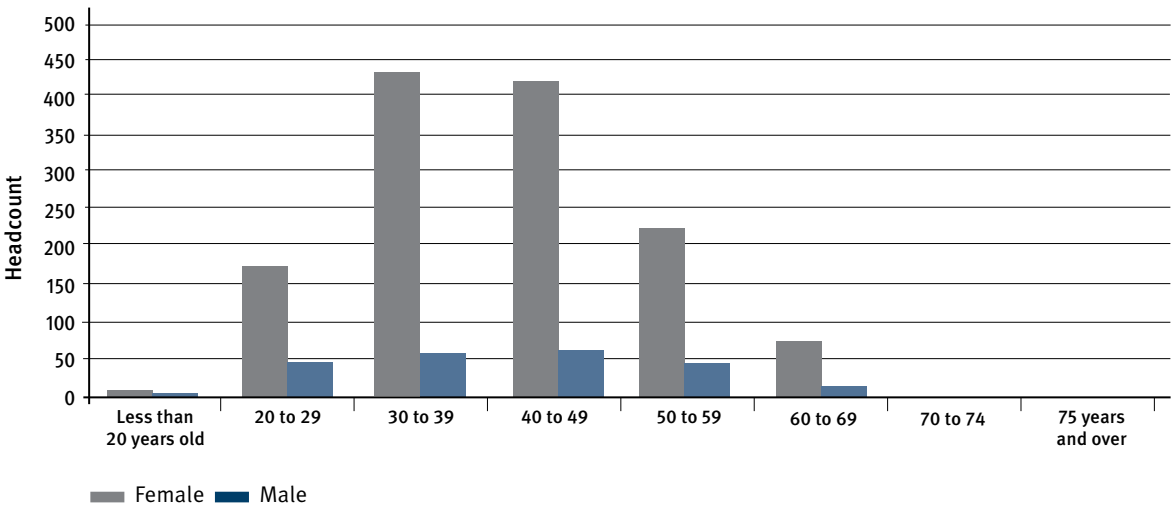


Figure 5: Department of Health part-time employment

Prescribed employer

The *Hospital and Health Boards Act 2011* provides for the Director-General to be responsible for statewide employment and industrial relations. This ensures equitable pay and conditions for the health workforce to support seamless mobility of the health workforce.

HHSs were provided with an opportunity to make a submission to the Minister for Health demonstrating their capacity and capability to be prescribed as an employer effective 1 July 2014. Eight HHSs made a submission and were assessed against agreed criteria as having the required capacity and capability to be an employer from 1 July 2014.

This is a key milestone in transforming the health system. By providing increased local decision-making and accountability, HHSs will have more autonomy, workforce flexibility, and a greater ability to respond to the health needs of the local community.

Employment terms and conditions including pay, superannuation and fringe benefits tax remain unchanged. The Director-General remains responsible for setting the terms and conditions of employment, including remuneration and classification structures, and negotiating enterprise agreements.

The remaining HHSs will become prescribed as an employer effective 1 July 2015 following an assessment of their capacity and capability. The department will support these HHSs in their readiness to become the employer.

During 2013–14, the Director-General also progressively increased the number of human resource delegations to HHSs. Twelve HHSs applied for, and were granted, delegations to administer more complex human resources issues.

Building a sustainable medical workforce

The Office of the Principal Medical Officer coordinates and manages a number of programs to support the development of a sustainable medical workforce for Queensland. The office facilitated the annual statewide recruitment campaigns for interns and resident medical officers to enable efficient recruitment by HHSs.

A total of 705 interns and 4225 resident medical officers were appointed to positions for 2014, exceeding the number of appointments made in 2013 (665 interns and 3911 resident medical officers).

In addition, the office 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 hospitals
- 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.

Medical intern growth and allocation

The Office of the Principal Medical Officer continued to coordinate the growth in intern positions across Queensland. This was to ensure interns were accredited in line with the legislative requirements of the Medical Board of Australia for granting general registration as a medical practitioner to Australian and New Zealand medical graduates on completion of intern training.

Queensland guarantees an offer of internship to all Queensland domestic medical graduates as part of the 2006 Council of Australian Governments Agreement. Intern numbers have more than trebled in Queensland from 2004 and further growth is projected, with intern numbers to rise to 737 in 2016. The projected growth for Queensland is expected to stabilise following graduation of the 2015 cohort of medical students who will commence their intern training in 2016. Queensland had 705 interns in 2014. Interns are employed across a calendar year.

Approximately 50 per cent of the growth in new intern positions has been in rural and regional Queensland—further increasing medical workforce capacity in these areas.

International medical graduates

The Centre for International Medical Graduates provided information, programs and support for international medical graduates who were employed by HHSs, and staff that assist doctors to progress through the Australian Medical Council

examination process. The Centre for International Medical Graduates also assisted international medical graduates to integrate into professional practice in Queensland by assisting with improving their English language, interpersonal communication and cultural appropriateness skills to ensure suitability for professional practice in Australia.

As at 30 March 2014, 419 international medical graduates with limited registration were employed across HHSs in Queensland, representing 47 senior medical staff and 371 junior medical staff. The department acknowledges the valuable contribution the international medical workforce provides to Queensland.

Workforce planning

In February 2013, the Queensland Government released the *Blueprint for better healthcare in Queensland*. To accompany the blueprint, Queensland Health has developed the Future Workforce Strategy for Better Healthcare in Queensland 2013–2018. This five-year plan aims to ensure Queensland has a skilled and empowered workforce that meets the needs of Queenslanders in delivering high-quality, cost-effective care. The strategy articulates the significant workforce reform required to achieve the strategic directions set out in the blueprint.

The strategy outlines how to:

- create a workplace culture and leadership environment which places a high value on health resources, valuing employees, and putting patients first
- orient health services to better meet local health needs, which requires significant change to many of the established cultures and practices that impact on performance and a strong culture of customer service
- empower healthcare staff to lead system reform and improve service delivery
- grow total health capacity and increase health services across a system of public, private and not-for-profit providers
- partner with HHSs, private, not-for profit sectors and other levels of government on workforce planning and other strategies to develop the future capability of the health workforce
- improve the financial performance of the healthcare system to match the national average by mid-2014
- break down traditional professional barriers and encourage openness to new ways of working and models of care
- implement a flexible, easy-to-understand employment and industrial relations system that facilitates local decision-making.

To ensure the Queensland Ambulance Service remains able to deliver high quality services to the community both now and into the future, the development and implementation of a strategic workforce plan began.

The plan complements the business and resource planning activities across the Queensland Ambulance Service to ensure the workforce strategy is aligned and supports the organisational strategic objectives.

The key objectives of the plan are to:

- facilitate workforce forecasting to plan the Queensland Ambulance Service's current and future workforce requirements
- integrate and align the workforce planning cycle with business and operational planning, as a well as the identification of appropriate collection and analysis tools to support future collection, tracking and analysis of workforce requirements
- enable the organisation to review its talent pool and to develop strategies to ensure organisational capability is sustained
- provide the foundation for successful workforce risk identification and mitigation as well as organisational succession planning.

Early retirement, redundancy and retrenchment

During 2013–14, 62 employees working in the Department of Health received redundancy packages at a cost of $7,054,269. Employees who did not accept an offer of a 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, six employees received retrenchment packages at a cost of $299,737.

Strategic objective 1 –healthy Queenslanders

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

Strategies

1.1 Identify, purchase and facilitate innovations that promote and protect health, and support self-responsibility for health.

1.2 Address critical public health issues through disease prevention and early intervention strategies.

1.3 Support health promotion activity that contributes to reducing rates of chronic disease.

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

1.5 Maintain capacity and capability to coordinate and lead an emergency response designed to minimise health impacts in the community.

1.6 Enhance administration of public health regulation.

Key actions to progress these strategies

- Align the day-to-day delivery of preventive health services with the activities of community-based practitioners.
- Lead health promotion and disease prevention and control practices.
- Improve the quality and use of the evidence base for individual and community health promotion activity around chronic disease.
- Develop strategic policy, planning and investment strategies to support HHSs to address Aboriginal and Torres Strait Islander health issues.
- Provide strategic leadership to the Queensland Government as primary agency for the management of pandemic, biological and radiological events.
- Support continuous improvement across the department's legislation portfolio to ensure protection of the health and wellbeing of the community.

Key performance indicators for strategic objective 1

- Decrease in the percentage of Queenslanders who smoke daily.
- On track to achieve national Aboriginal and Torres Strait Islander closing the gap targets.

1.1 Identify, purchase and facilitate innovations that promote and protect health, and support self-responsibility for health.

Technology

In November 2013, the department delivered the Personally Controlled Electronic Health Record (PCEHR) Integration project, which enabled the sharing of Queensland Health discharge summaries from 112 public hospitals with the national PCEHR system. This is a significant step in providing patients with greater access to their own health information and meant that if a patient had registered for a PCEHR they would, for the first time, be able to view their own hospital discharge information.

The project also allowed for the national PCEHR system to be available for Queensland Health clinicians to view through the department's patient information viewing application. This provides significant benefits to public hospital clinicians, allowing them to view information about their patients from other states, private health care providers and general practitioners.

Homelessness initiative

The Emergency Department Homeless Liaison pilot is a $448,888 initiative under the National Partnership Agreement on Homelessness. The pilot has been successfully implemented in four Queensland emergency departments—the Gold Coast University Hospital, the Logan Hospital, the Princess Alexandra Hospital and the Royal Brisbane and Women's Hospital.

An evaluation undertaken in July 2014 found the program achieved its key objectives to:

- promote a patient-centred model of care for a population group with complex health and psychosocial needs
- provide coordinated care with the right services at the right time and place
- improve identification of people who are homeless or at risk of homelessness
- reduce the number of admissions to hospital for people who are homeless.

Needle and syringe program

The Queensland Needle and Syringe Program, which aims to prevent the transmission of HIV, hepatitis C and hepatitis B, seeks to better integrate community pharmacy provision of needles and syringes through the Pharmacy Enhancement Trial. More than 600 pharmacies have registered since the trial began in December 2013.

Smoke-free prisons

All Queensland correctional centres became smoke-free on 5 May 2014. Some 7000 offenders and more than 3000 onsite correctional and health staff now live and work in a smoke-free environment. In collaboration with Queensland Corrective Services, Queensland Health is providing free nicotine replacement therapy for offenders and staff. Additionally, the department provided one-off implementation funding to HHSs that service the 10 correctional centres and two private correctional centres to enable supportive locally determined strategies.

Know your numbers program

Nearly 43,000 Queensland adults have registered for free health checks under the Know Your Numbers program, delivered by the National Stroke Foundation. The program aims to raise community awareness of risk factors for heart disease, stroke and Type 2 diabetes, and promote regular health monitoring.

More than 780 pharmacies and other community sites across the state have provided community members with blood pressure checks and health risk assessments, with 29 per cent of people checked referred to their general practitioner for further follow up.

Jamie's Ministry of Food

More than 17,000 Queenslanders have attended a Jamie's Ministry of Food course, cooking demonstration, or community event since the commencement of the program. This community-focused program, delivered in partnership with the Good Foundation, is inspiring people to get 'back to basics' in the kitchen.

While the program is based at the Jamie's Ministry of Food Ipswich Centre, the Mobile Kitchen has visited 10 local council areas across Queensland. Participants have reported they have gained new cooking skills and food knowledge, felt more confident to try different recipes using fresh food and are able to prepare a quick, healthy and tasty meal from scratch.

First aid courses

The Queensland Ambulance Service Community Education Unit has conducted 2707 first aid courses and issued 34,195 accredited certificates and more than 900 non-accredited statement of attendance certificates to course participants.

The first aid courses range from basic first aid, which assist individuals to competently respond to first aid emergencies in their home and community, to advanced first aid courses, which are tailored for industry and the medical profession. The advanced courses support medical professionals to manage seriously ill or injured patients in their community or work site.

CPR Awareness program

The CPR Awareness program is a volunteer program that involves knowledge sharing and is led by Local Ambulance Committees in their communities, with support provided by the local ambulance station officer-in-charge.

The program aims to provide the community with the knowledge, skills and confidence necessary to respond to a sudden out-of-hospital cardiac arrest. The Queensland Ambulance Service fulfils an essential role in the chain of survival for cardiac arrest patients in the out-of-hospital environment, and has long recognised the importance of early and effective CPR being administered to these patients.

Community-based volunteer programs such as the Local Ambulance Committee-led CPR Awareness program can improve the health and safety outcomes for Queenslanders in their community, and helps build community resilience.

Since 2008, more than 20,000 Queenslanders have attended a CPR Awareness session conducted by their Local Ambulance Committee.

13 HEALTH (13 43 25 84) and Quitline phone services

In 2013–14, 13 HEALTH (13 43 25 84)—the 24-hour 7-days a week phone service for Queenslanders with health concerns—received 305,916 calls, with the majority of calls answered within 20 seconds.

Quitline (13 QUIT or 13 78 48)—the confidential service providing support and advice to Queenslanders who wish to quit smoking—conducted 33,002 interactions with clients, including 1628 clients identified as being of Aboriginal and/or Torres Strait Islander origin. This represented a 20 per cent increase in interactions from the previous year.

The services offered via 13 HEALTH (13 43 25 84) and 13 QUIT (13 7848) were used by 7.5 per cent of Queenslanders in 2013–14.

Mums and Bubs

In 2013–14, almost 70,000 home visits were provided under the enhanced Maternal and Child Health Service initiative—also known as Mums and Bubs. The visits can be followed up with consultations at community centres at the key developmental stages of 2, 4, 6–8 and 12 months of age.

Control of Legionella

The Chief Health Officer's *Review of the prevention and control of Legionella pneumophila in Queensland* was published in September 2013. The review was initiated at the request of the Minister for Health in response to the Wesley Hospital Legionnaires' disease outbreak of May–June 2013 which resulted in two notified cases of *Legionella pneumophila*, one of which proved fatal.

The review included the results of the statewide snapshot monitoring program which indicated that 50 per cent of the 167 public healthcare facilities involved in the program had one or more samples test positive for *Legionella pneumophila* and/or Legionella spp. (not pneumophila).

The review identified a number of areas for improvement that would make for a more robust system-wide approach to the prevention and control of Legionella and legionellosis including:

- hospital and aged care facilities to develop water quality risk management plans and implement regular water testing
- regulatory changes to ensure Legionella risks in hospital and aged care facilities are identified and appropriately managed
- improved collaboration among state agencies
- national collaboration to improve relevant Australian standards and guidelines
- improved electronic data management, notification, and follow-up of cases of legionellosis
- better information to the community.

On 17 October 2013, the review was tabled in Queensland Parliament and its recommendations were announced. The department is working with HHSs and other agencies from across Australia to facilitate implementation of these recommendations.

On 6 June 2014, the Private Health Facilities (Standards) Notice 2000 Physical environment

standard (version 4) was enacted requiring all licensed private health facilities to develop and implement a water quality risk management plan.

Communicable disease outbreaks

Two investigations in private health facilities occurred in December 2013 following reports of outbreaks of notifiable communicable diseases. One investigation followed the Group A Streptococcus outbreak at Greenslopes Private Hospital. The other followed the Herpes Simplex Virus Type 1 outbreak at the Mater Hospital Pimlico. System improvements have been implemented at both facilities to reduce the risk of similar incidents in the future.

HIV strategy

Queensland Health has a goal to reduce HIV transmission in Queensland by 50 per cent by the end of 2015. The Queensland HIV Strategy 2013–2015 outlines the priority action areas to enable this goal. These include:

- implementing a comprehensive prevention approach to reducing HIV transmission
- increasing voluntary testing for HIV
- increasing treatment uptake by people with HIV to 90 per cent
- increasing awareness of HIV transmission, stigma and discrimination.

External analysis of HIV prevention programs and projects in Queensland has been conducted. Achievements to date:

- The establishment of the HIV Foundation Queensland on 1 December 2013 as an independent body corporate under the provisions of the *Hospitals Foundations Act 1982*. The foundation has a mandate to reduce HIV rates in Queensland and work towards a HIV-free generation. The foundation replaces the former Ministerial Advisory Committee for HIV/AIDS.
- The launch of the E.N.D.H.I.V campaign designed to educate all sexually active Queenslanders about the possibility of the virtual elimination of HIV as a result of advances in testing technologies and HIV treatments.
- The Community HIV Education and Prevention program.
- The HIV Point of Care Testing Program, which provides free rapid HIV testing in sexual health clinics and some general practice and emergency departments around Queensland.
- Review of post-exposure prophylaxis (PEP) program to align with new national guidelines and associated educational activities.
- Implementation of a HIV Pre-Exposure Prophylaxis (PrEP) Demonstration Project, which is being carried out across several sites in Queensland to assess the acceptability and feasibility of PrEP provision through sexual health clinics and general practice services and develop a protocol for those providing PrEP.
- The establishment of a jointly funded HIV/STI Professorial Chair position with the University of Queensland to facilitate and support the growth of high quality research in Queensland.
- Improved access to HIV anti-retroviral therapy through providing financial support for a major submission to the Pharmaceutical Benefits Advisory Committee, which was successful in removing the CD4 count restriction for initiation of first-line treatment.
- Improved access to HIV anti-retroviral therapy through the hosting of a national HIV Earlier Treatment Workshop.
- Request for offer process with non-government organisations to run blood borne virus and sexually transmissible infection programs for the community.

Mosquito-borne disease

The Queensland Health statewide Mosquito-borne Disease Prevention and Control Program aims to minimise the morbidity and mortality and public health impact of mosquito-borne diseases in Queensland. As an integral component of this program the Minister has provided grant funding of $1,050,000 over three years to support the Eliminate Dengue project, to undertake further research into dengue prevention in north Queensland using Wolbachia-infected Aedes aegypti mosquitoes. Preliminary results from this research are promising.

Immunisation strategy

Queensland Health has a goal to protect Queenslanders from vaccine-preventable diseases. To achieve this goal, the department developed a strategy for immunisation that will be implemented during 2014–15.

The Queensland Immunisation Strategy 2014–17 contains a number of key initiatives including:

- a targeted communication strategy to promote immunisation
- development of an immunisation smartphone app

to improve parent access to reliable program and reminder information

- improvement of public access to evidence-based immunisation information
- maintenance of a competent immunisation workforce
- improvement of immunisation rates among groups with low coverage, with a focus on closing the gap in immunisation rates for 12 month old Aboriginal and Torres Strait Islander children
- the introduction of free whooping cough vaccination to women in the last trimester of pregnancy, as clinically appropriate
- provision of quality improvement payments up to $3 million (total) to HHSs for improving immunisation rates.

Other key achievements of the immunisation program include:

- processing more than 20,000 vaccine orders and distribution of more than 2 million doses of vaccine across Queensland
- more than 90 per cent of five-year-old children entering primary school are fully immunised
- maintaining access to complete post-exposure rabies prophylaxis for people exposed to lyssavirus in Australia and overseas during global shortage of rabies immunoglobulin
- re-establishment of the Japanese Encephalitis vaccination program for residents of the Torres Strait. Japanese Encephalitis is caused by a mosquito-borne flavivirus and is potentially fatal. It is endemic in the Torres Strait. The program was interrupted because the vaccine previously used was no longer being manufactured.

Hendra virus

Hendra virus infection in humans has a high fatality rate. An experimental monoclonal antibody to Hendra virus has been made available for post exposure prophylaxis for people who have had high level exposure to the Hendra virus, usually through close contact with an infected horse's blood or other bodily fluids.

A Phase 1 human safety trial of monoclonal antibodies to Hendra virus for use on people with high level exposure to Hendra virus was started.

Get Healthy service

Queensland adults wanting to make healthy lifestyle changes can now receive support from the Get Healthy Information and Coaching Service. The service provides information, tools and up to 10 free and confidential telephone coaching sessions over six months to help people make healthier eating choices, be more active, and achieve and maintain a healthy weight. More than 2900 people have contacted the service, and 1121 Queenslanders have received information packs and/or registered into the coaching program. Program graduates have on average lost 4.5 kg and 2.8 cm off their waist circumference.

Cancer Council Queensland

Through Cancer Council Queensland, funding was provided to 170 not-for-profit organisations for projects to promote shade protection from the sun's ultraviolet radiation. This year's focus was protecting children and young people. Organisations including early childhood and care services, schools, girl guides and scouts groups have been funded to create sun safe environments through portable or fixed shade structures.

Living Well Multicultural program

The Living Well Multicultural program, developed by the Ethnic Communities Council of Queensland, has been delivered to 1520 participants from culturally and linguistically diverse communities. Delivered by multicultural health workers, this group-based and culturally-tailored program provides education and support around healthy eating, physical activity and chronic disease prevention. Reported health benefits have included weight loss, increased consumption of fruit, vegetables and skim/reduced fat milk, increased physical activity levels, and reduced soft drink intake.

Stroke guideline

September 2013, the Queensland Ambulance Service introduced an updated Clinical Practice Guideline for Stroke and Transient Ischaemic Attack, which is consistent with the Australian National Stroke Foundation Guidelines. This protocol directs paramedics who have identified patients with symptoms suggestive of stroke to provide early notification and transport to hospitals with dedicated stroke units.

Heart attack strategy

In October 2013, the Queensland Ambulance Service commenced a project to pilot acute cardiac reperfusion strategies by advanced care paramedics in selected areas of Queensland. Those patients suffering acute myocardial infarction—heart attack—are quickly identified using 12-lead ECG technology. Treatment or direct referral to a cardiologist is begun immediately, some 30–40 minutes faster than previously.

For individuals suffering a heart attack, each minute delay in treatment causes further cardiac muscle damage, leading to heart muscle death. A significant reduction in the time to treatment not only improves patients' survival rates, but for those who survive, also improves their functioning and ability to either return to work or avoid further hospital admissions in the future.

In addition, a trial for paramedics to administer the clot-busting drug tenecteplase to heart attack patients was expanded. Under the trial, advanced care paramedics will be trained to recognise patients with a clot and to administer tenecteplase prior to arrival at the emeregency department. Seven advanced care paramedics have been trained on the Sunshine Coast with 10 more paramedics to be trained throughout the state.

1.2 Address critical public health issues through disease prevention and early intervention strategies.

Healthier. Happier.

The three-year Healthier. Happier. campaign was launched in October 2013. Through use of a self-assessment tool on the Healthier. Happier. website, Queenslanders have been encouraged to personalise the issue of obesity. The website and mobile application support individuals with information, recipes and tips to make positive lifestyle changes. There have been more than 292,000 unique visitors to the website since the campaign launch and approximately 250,000 people have completed the Health & Fitness Age calculator.

Workplaces for Wellness

Employers are helping their employees adopt healthier lifestyle behaviours through access to Workplaces for Wellness programs, resources and tools. The initiative has targeted blue collar workers, high-risk industries, regional growth areas, rural and remote industries and sedentary workers. Achievements have included:

- 3270 workers registered in the Workplace Quit Smoking program, with a 31 per cent quit rate 12 months after the program
- 119 workplaces implemented the 10,000 Steps Workplace program reaching 4971 workers
- 1119 workplaces are registered members of the Workplace for Wellness website, which launched in August 2013
- 234 workplaces attended Leading Safer and Healthier Workplaces forums
- 35 workplaces received bronze, silver or gold recognition under the Workplaces for Wellness award scheme.

Need for Feed

The Need for Feed program, delivered in partnership with Diabetes Queensland, has provided practical healthy cooking classes for high school students in years 7–10. Since the program began, 103 programs have been conducted in Queensland high schools, reaching more than 1723 students. The program has seen a 77 per cent increase in students eating the recommended serves of fruit a day, 56 per cent increase in students eating the recommended serves of vegetables a day, and 62 per cent of students eating less unhealthy foods at six months post program.

Diabetic referral program

To reduce the long-term health effects and improve patient knowledge of chronic diabetes mellitus, the Queensland Ambulance Service began a diabetic referral program in 2013 for patients attended by ambulance staff but not transported to a medical facility. This program works in partnership with the relevant HHS and involves paramedics providing consented patient referrals to the HHS diabetic service for subsequent community follow-up.

Immunisation

Funding to the Queensland Aboriginal and Islander Health Council was increased from $170,998 in 2012–13 to $288,814 for 2013–14 to improve immunisation rates among Aboriginal and Torres Strait Islander Queenslanders. This targeted funding contributed to a closing of the gap in immunisation rates between Aboriginal and Torres Strait Islander Australians and the general population at the two year old and four year old point. The funding was used to employ clinical nurse consultants to:

- support Aboriginal and Torres Strait Islander medical services
- develop resources to support the Aboriginal and Torres Strait Islander health sector to raise awareness and promote immunisation
- provide assistance to locally initiated immunisation projects.

1.3 Support health promotion activity that contributes to reducing rates of chronic disease

PEACH program

Parents and carers of children aged 5–11 years, whose weight is above what is recommended for their age, can now be assisted through the PEACH program delivered by the Queensland University of Technology. The free six month healthy lifestyle program is parent-led and family-focused, offering practical advice and information about healthy eating and increasing levels of physical activity.

To date, 57 facilitators have been trained and 228 families are currently enrolled in the program. The program helps parents and carers understand their role in addressing healthy eating and physical activity, and families are being equipped with practical skills to implement positive changes.

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

Blood collection

Pathology Queensland, in conjunction with the Indigenous Cardiac Outreach program, continued to provide training for Aboriginal and Torres Strait Islander healthcare workers to become qualified to perform blood collection. This program supported the expansion of the role of Aboriginal and Torres Strait Islander healthcare workers to better serve their communities.

Aboriginal and Torres Strait Islander health programs

In 2013–14, the department invested $62.62 million for HHSs and Aboriginal and Torres Strait Islander community controlled health services to implement a number of strategies to help close the gap in health outcomes for Aboriginal and Torres Strait Islander Queenslanders, including:

- services under the National Partnership Agreement on Indigenous Early Childhood Development
- a range of services and programs targeting Aboriginal and Torres Strait Islander chronic disease including multidisciplinary care teams across Queensland and smoking cessation programs
- the Indigenous Cardiac Outreach program to service 28 rural and remote sites across northern Queensland
- the Indigenous Respiratory Outreach Care program and expanded respiratory services for rural and remote communities and a statewide spirometry training program for Aboriginal and Torres Strait Islander health workers
- Aboriginal and Torres Strait Islander Hospital Liaison Services in major Queensland hospitals to assist Aboriginal and Torres Strait Islander Queenslanders to navigate the health system
- the Deadly Ears, Deadly Kids, Deadly Communities child hearing health outreach program
- drug and alcohol services in 21 discrete Aboriginal and Torres Strait Islander communities
- quality improvement systems for Aboriginal and Torres Strait Islander healthcare.

Chronic disease programs

The capacity of the Aboriginal and Islander Community Controlled Health Sector to address chronic disease has been improved through the funding of $622,211 in 2013–14 to the Queensland Aboriginal and Islander Health Council for statewide nutrition, physical activity and tobacco coordinators.

Statewide coordinators have delivered more than 50 workshops and information sessions across Queensland to increase the knowledge, skills and confidence of regional tobacco and healthy lifestyle teams, supported by additional resources and tools. This has resulted in enhanced local workforce capacity to promote healthy eating, smoking cessation and increased physical activity through initiatives such as Good Quick Tukka, Smokecheck and nutrition and physical activity brief interventions.

All Queensland Aboriginal and community controlled health services are now smoke-free, with clients screened for smoking status 92 per cent of the time. Healthy catering guidelines or policies have been implemented in 39 per cent of these services, with another 54 per cent on track to follow suit. Located within the Queensland Aboriginal and Islander Health Council, coordinators have delivered the Good Quick Tukka: Cook It, Plate It and Share It program, developed resources and coordinated health provider training workshops to assist staff to engage with clients on healthy eating, physical activity and tobacco related issues.

Aboriginal and Torres Strait Islander cadet program

The Queensland Ambulance Service supported closing the heath gap for Aboriginal and Torres Strait Islander people by continuing to operate the Aboriginal and Torres Strait Islander cadet program in 2013–14.

The program provides a vital link between Aboriginal and Torres Strait Islander communities and pre-hospital patient care. The program is self-paced and allows cadets to progress through a tailored learning pathway to ultimately achieve the qualification of advanced care paramedic.

The program also supports employment in Aboriginal and Torres Strait Islander communities with cadets appointed and supported at Doomadgee, Normanton, Palm Island, Yarrabah, Thursday Island and Woorabinda.

1.5 Maintain capacity and capability to coordinate and lead an emergency response designed to minimise health impacts in the community.

Upgraded facilities

Queensland Health's emergency capacity and capability has been increased through new and upgraded emergency department facilities and services at the following locations:

- Logan Hospital—forecast completion in February 2015
- Gladstone Hospital—forecast completion in February 2015
- Biloela Hospital—completed in September 2014
- Emerald Hospital—completed in June 2014
- Ipswich Hospital—completed in March 2014
- Queen Elizabeth II Hospital—completed in October 2013
- Gold Coast University Hospital—completed in September 2013.

Disaster management

The department has a committed and focused approach to provide rapid and extensive response capability to manage and coordinate comprehensive disaster management to address all areas of health. The disaster response arrangements encompass state liaison activities including the coordination of health services, management of public health incidents, medical services, acute care, ambulance and mental health considerations. Coordinated effort is rapidly escalated by the activation of the State Health Emergency Coordination Centre for enhanced response capability.

Extensive disaster management and emergency response initiatives were enabled during the year and involved critical and well-considered preparedness and recovery activities, including a significant review of critical disaster plans and revised recovery arrangements through the development of an enhanced mental health framework.

The integrated disaster response capability between the department and HHSs locally was demonstrated in response to the severe fires on Stradbroke Island in December 2013 and tropical cyclones in North Queensland from January to April 2014.

Dedicated teams of departmental staff worked in conjunction with Queensland Police Service, Queensland Fire and Emergency Services and the Australian Defence Force staff in the State Disaster Coordination Centre aviation cell which was activated over this period. The department's staff contributed to the functions of operational, planning, intelligence, logistics cell within the State Disaster Coordination Centre incident management teams during the period of activation.

Queensland Health also contributed to the whole-of-government disaster activities, programs and initiatives including:

- Get Ready Queensland initiative
- ongoing work with the strategic planning
- emergency management arrangements reform for Queensland being developed through the Office of the Inspector-General Emergency Management.

Training initiatives have continued to be undertaken at a state and HHS level for all potential hazards and incidents. Training programs included the Major Incident Medical Management and Support course, Joint Emergency Services Training and Emergo Train Systems.

Expansion to the department's services and scope of disaster response capabilities have continued with enhancements to emergency response and disaster management through the signing of a three-year service agreement with the National Critical Care Trauma Response Centre (NCCTRC). This mutually beneficial arrangement provides a formalised relationship between Queensland and the NCCTRC

based in the Northern Territory to facilitate access to enhanced emergency equipment and supplies and ready deployment of staff nationally and internationally.

The department supported the Australian Government response through deployment of Australian Medical Assistance Teams (AUSMATs) to the Philippines. Typhoon Haiyan, struck the Philippines on 8 November 2013 causing massive loss of life, displacement of populations and damage to infrastructure. Two AUSMATs were deployed to assist with medical response. The AUSMATs functioned as the surgical hub for Tacloban City and managed the public health needs of the population surrounding the airport. The department coordinated the Queensland contingent of medical specialists from HHSs and fire representatives deployed with both 37-person Australian Government-led teams.

Get Ready Queensland

Get Ready Queensland was launched as part of the preparedness for the 2013–14 summer season. The department provided key health messages, while local HHS representatives engaged with their local emergency response groups and communities at 11 interagency stakeholder/community forums held across the state.

Targeted key health messages joined a suite of messaging from across government to enable effective planning, assist and prompt individuals, families and the community in their own planning considerations, and to build capacity and resilience. Ongoing work in relation to emergency management reform with the Office of the Inspector-General continued after commencement in 2014.

Response to radiation-related incidents

Queensland Health is the state's lead agency for responses to radiological incidents and maintains the human and physical resource capability to respond to incidents. As a part of the maintenance of this capability, the department has participated in an exercise to test the state's emergency response capabilities in the event of a nuclear-powered warship radiation accident, and has also participated in meetings and a workshop with the Australian Federal Police, Emergency Management Australia, the Australian Radiation Protection and Nuclear Safety Agency and other Australian Government and international agencies in relation to responding to radiological incidents.

1.6 Enhance administration of public health regulation.

Public health legislation

The department works in partnership with HHSs and local governments to undertake compliance activities, ranging from information provision and raising awareness, to administering fines and prosecutions to serious breaches of the law that can cause harm to individuals in the community.

In 2013–14, there were nine prosecutions relating to breaches of public health legislation:

- one under the *Food Act 2006* for sale of unsuitable food—resulting in a guilty verdict and a $10,000 fine
- one under the *Pest Management Act 2001* for failure to possess a licence to carry out pest management activity—resulting in a guilty verdict and a $2400 fine
- seven under the *Tobacco and Other Smoking Products Act 1998* related to sale, display and supply of smoking products—resulting in guilty verdicts and fines applied for each prosecution.

The endorsements of eight health practitioners (five doctors and three pharmacists) were cancelled or amended under the Health (Drugs & Poisons) Regulation 1996 relating to breaches of the Regulation and public health concerns.

A total of $16,000 in estimated court fines were awarded in 2013–14.

In some instances, breaches of public health legislation may be dealt with by a prescribed infringement notice. In 2013–14, $52,480 was collected in fines. A total of 102 prescribed infringement notices were issued:

- 68 (66.66 per cent) relating to the *Food Act 2006*
- 28 (27.45 per cent) relating to the *Tobacco and Other Smoking Products Act 1998*
- 2 (1.96 per cent) relating to the *Pest Management Act 2001*
- 4 (3.92 per cent) relating to the *Public Health Act 2005*.

Licensing activities related to public health legislation:

- A total of 13,610 *Radiation Safety Act 1999* applications were completed comprising 1601 (12 per cent) possession licences, 9554 (69 per cent) use licences, 127 (1 per cent) transport licences, 623 (5 per cent) radiation safety officer certificates, 107 (1 per cent) accreditation certificates and 1598 (12 per cent) approvals/ security checks. Revenue raised by this legislation totalled $2,429,254.
- A total of 2389 pest management technician licences were issued under the *Pest Management Act 2001*. Revenue raised by this legislation totalled $566,152.
- A total of 1895 instruments were issued under the Health (Drugs and Poisons) Regulation 1996 comprising 1146 (61 per cent) poisons licences, 505 (27 per cent) approvals and 234 (12 per cent) permits. Revenue raised by this legislation totalled $469,218.
- The licensing team responded to approximately 25,000 enquiries, comprising of an average of 50 telephone enquiries and 30 email enquires per working day.
- A total of 4604 approvals were processed and 5073 reports under the Health (Drugs & Poisons) Regulation 1996 relating to treatment of patients with controlled or restricted drugs.
- The Medicines Regulation and Quality team responded to more than 20,000 telephone enquiries relating to regulation of drugs in treatment of patients and processed more than 9000 admissions and discharges to the Opioid Treatment Program.

Key actions to progress these strategies

Align the day-to-day delivery of preventive health services with the activities of community-based practitioners.

The Good Start program for Pacific Islander and Maori Children was developed to provide culturally-tailored healthy eating, physical activity and healthy lifestyle messages to parents and children. The program was delivered by Pacific Islander and Maori multicultural health workers.

An evaluation of the program has shown an increase in fruit and vegetable consumption and a reduction in consumption of sugary snacks by children. Church and women's groups are exercising more and choosing healthy food and drink options for community activities, providing a supportive environment to make healthy choices.

Children from more than 20 primary and high schools across Brisbane, Ipswich, Gold Coast and Cairns have engaged in cooking, physical activity and nutrition sessions, with their parents and communities participating in cooking and nutrition sessions as well as exercise and walking groups.

Improve the quality and use of the evidence base for individual and community health promotion activity around chronic disease.

The COACH program—an evidence-based, telephone and mail-out coaching program delivered through the Health Contact Centre—continued to assist people diagnosed with cardiovascular disease and/ or diabetes through addressing risk factors, and adherence to recommended medications.

In 2013–14, a population-based analysis of risk-factor data was undertaken for 2669 patients who completed the COACH program between February 2009 and June 2013. The analysis revealed improvements in cardiovascular risk factor status from entry to completion of the program across all biomedical and lifestyle factors in patients with coronary heart disease and/or type 2 diabetes. This included a significant decrease in the number of current smokers from entry to completion of the program.

The study concluded that a centralised statewide telephone-based program overcomes obstacles of distance and limited access to health services and facilitates decreased cardiovascular risk. This study has been submitted for publication in a peer-reviewed journal.

Develop strategic policy, planning and investment strategies to support HHSs to address Aboriginal and Torres Strait Islander health issues.

A three-year Aboriginal and Torres Strait Islander health investment strategy was developed to address the leading contributors to the health

gap, in particular chronic disease and mental illness. The strategy was based on evidence about strategies effective in closing the health gap, and was underpinned by a strong performance framework.

Analysis of existing services, investment and health status data continues to identify service gaps. Regular information was provided to HHSs to assist them to target investment and effort to maximise value for money, to assess the effectiveness of interventions, and to track progress against key performance measures.

Support continuous improvement across the department's legislation portfolio to ensure protection of the health and wellbeing of the community.

In response to the potential adverse health effects associated with the use of a solarium, the Queensland Government banned the possession of new commercial solaria from 1 January 2013.

This prevented new commercial enterprises being established and any expansion of current businesses.

In October 2013, the Queensland Government determined that the possession of commercial tanning units would be completely banned from 31 December 2014 through an amendment to the Radiation Safety Regulation 2010. The use of tanning units has been associated with a significant increase in the risk of melanoma, which increases if a person first uses a unit before the age of 35.

Given the risks posed by the use of tanning units, an incentive scheme was established to encourage those people licensed to possess a commercial skin tanning unit to surrender them to the department for appropriate disposal before the expiry of their licence or 31 December 2014, whichever occurs earlier.

The *Health Ombudsman Act 2013* took full effect from 1 July 2014 to strengthen the complaints management system in Queensland in response to three major reviews by Mr Richard Chesterman AO RFD QC, Dr Kim Forrester and Mr Jeffrey Hunter SC. The main objectives of the Act are to protect the health and safety of the public; to promote professional, safe and competent practice by health practitioners; and to promote high standards of service delivery by health service organisations.

The Office of the Health Ombudsman commenced full operations on 1 July 2014 as the one-stop-shop for the receipt of all health complaints in relation to individual health practitioners—both registered and non-registered—and heath service providers across public, private and not for profit health services. The Office of the Health Ombudsman replaces the Health Quality and Complaints Commission which closed on 30 June 2014, and takes over some complaints handling functions previously undertaken by the Australian Health Practitioner Regulation Agency.

The establishment of the Office of the Health Ombudsman will ensure the future efficient, timely and transparent management of health complaints in Queensland.

Strategic objective 2 —accessible services

Ensure access to appropriate health services is simple, equitable and timely for all Queenslanders

Strategies

2.1 Identify, support and share locally driven innovations that respond to local needs and address system-wide issues.

2.2 Provide information and communications technology (ICT) governance and integrated ICT solutions to support improved patient access and care.

2.3 Centralise patient information across the state, improving Queenslanders access to care.

2.4 Enable Hospital and Health Boards to transition appropriate HHS primary healthcare services to the control of other health service providers.

2.5 Ensure that health infrastructure has the flexibility and capacity to meet future service requirements.

2.6 Enable access to safe and sustainable care for rural and remote communities through a statewide network of Telehealth facilities.

Key actions to progress these strategies

- Improve patient flow by caring for more patients in their home, where appropriate, under the supervision of their treating clinician.
- Increase provision of hospital in the home services by the private and not-for-profit sectors.
- Implement recommendations from the Review of Health Services Information Agency.
- Centralise patient information via the integrated electronic Medical Record (ieMR) Program, to enable clinicians and support staff to access a single view of patients' medical records.
- Develop a 'one-stop-shop' information system that centralises patient information across the state.
- Deliver electronic copies of Pathology Queensland results to healthcare providers through GP Connect.
- Provide policy and support to HHSs to transition appropriate primary healthcare services to the control of Aboriginal and Torres Strait Islander community-led health organisations.
- Develop, expand and coordinate the network of Telehealth facilities to improve services to patients in rural and remote communities.
- Create six trial sites for the Rural Telehealth Service in 2013.
- Ensure the activity based funding model for Telehealth supports continued expansion of services.

Key performance indicators for strategic objective 2

- Shorter stays in emergency departments.
- Shorter waits for elective surgery.
- Shorter waits for specialist outpatient clinics.
- Increased support for families with newborns.

2.1 Identify, support and share locally driven innovations that respond to local needs and address system-wide issues.

Integrated electronic medical record

In 2013–14, the department focussed on building on the earlier delivery of clinical information and communication technology solutions to increase the information provided by these solutions and improve accessibility.

The department's The Viewer application has been expanded to include information from additional clinical systems—such as radiology reports from some private providers—giving clinicians more comprehensive, current information about their patients.

In conjunction, the delivery of an integrated electronic Medical Record (ieMR) commenced, which will enable clinicians and supporting staff to securely access a single, electronic view of a patient's medical record. The ieMR will be delivered in four releases to nine public hospitals.

Future releases will include more clinical functionality.

Associate Degree in Medical Science

In 2013–14, Pathology Queensland collaborated with University of Southern Queensland, Sunshine Coast University and Central Queensland University to develop the Associate Degree in Medical Science. Graduates are qualified to apply for technical officer roles in Pathology Queensland laboratories.

Government Land Asset Management

The department has consulted with HHSs regarding the Government Land Asset Management (GLAM) disposals program and has reached agreement on a revised target for the divestment program. The department has worked to identify opportunities to maximise return on property sales where possible.

Community of practice for risk management

The Health System Risk Working Group's purpose is to ensure health system-wide risk management is effective. This encompasses the communication and monitoring of health system-wide risks that need to be shared/managed across normal organisational lines of responsibility. A community of practice for risk management continues to be progressed through health system-wide engagement.

Revitalisation of regional rural and remote funding program

Starting in 2013–14, $51.9 million in funding was approved over four years for the revitalisation of regional, rural and remote health services, addressing the non-metropolitan health service delivery challenges.

Projects being funded support enhanced outpatient and primary care models, delivering safe and sustainable care focusing on chronic disease, hospital in the home, cancer, maternity and mental health services.

As part of that program, recurrent funding was provided to six rural and remote communities including Chinchilla, St George, Charleville, Alpha, Eidsvold and Moura.

This funding has supported a review of the flying specialist services provided by South West Hospital and Health Service, the appointment of a rural generalist doctor at Chinchilla and an enhanced renal service model in Wide Bay Hospital and Health Service. Other sites have undertaken planning to commence the redesign of health services required by their communities including chronic diseases, home aged care, maternity, child health and mental health.

Allied health rural generalist training positions

In 2013–14, 11 allied health rural generalist training positions were implemented in rural areas throughout the state. These positions train clinicians in a broader range of skills to better meet the needs of local communities which have limited access to a range of professional services. The effectiveness of these roles will be evaluated over the next two years.

Rural generalist pathway

In 2013–14, additional funding of $1.8 million and a redirection of scholarship funding was approved to increase the number of rural generalist training places in Queensland from 37 in 2013 to 80 in 2016.

Nurse-led clinics

The department provided additional funding to the Central Queensland Hospital and Health Service and the Metro South Hospital and Health Service to support the establishment of nurse-led clinics working with chronic disease. The funded models combine the expertise and coordinated care of expert nurse practitioners through an integrated care model.

The nurse-led clinics aim to:

- reduce duplication of multiple clinics through a one-stop coordinated care model
- improve access to specialised clinical management for chronic disease clients
- establish a sustainable workforce model to provide clinical practice opportunities for specialty registered nurses into future career pathways for nurse practitioners in chronic disease care.

Funding in 2013–14 to grow nurse-led chronic disease clinics totalled more than $607,000.

Health Innovation Fund

The Health Innovation Fund was created to implement transformational innovations that have the potential for statewide impact by fostering large-scale innovative models of care and redesign projects. By searching for and applying innovative approaches to improving healthcare, it enables the delivery of productivity savings needed to meet the growing demand for services.

In 2013–14, eight projects were approved across the state with an investment of approximately $5.2 million to date.

Surgical and waiting list management processes

The Scalpel initiative is an intensive clinical service redesign of current surgical and waiting list management processes across nine hospitals in three discrete cohorts. The program aims to streamline clinical and waiting list management processes. While the redesign project is currently in a phase of monitoring changes to processes, it is anticipated the project will have improved categorisation of patients, 'treat-in-turn', theatre efficiency and reduced length of stay, as well as improvements to both patient and staff experience.

This initiative complemented the ongoing roll-out of The Productive Operating Theatre which was designed by the United Kingdom's National Health Service. The Productive Operating Theatre is a structured approach to optimising the management of operating theatres and improving patient flows and clinical outcomes.

2.2 Provide information and communication technology governance and integrated information and communication technology solutions to support improved patient access and care.

Integrated Mental Health Data Reporting Repository

The Integrated Mental Health Data Reporting Repository pilot was implemented in October 2013 and was the first step to enhance business intelligence capability and provide a foundation on which significant business benefits could be realised by adding new data sources.

Further development of the repository will facilitate the department's capacity to respond to the Queensland Commission of Audit's recommendation to introduce outcome and output-based funding models for mental health services. The initial pilot provides a platform to integrate and transform disparate data sources, which will allow the generation of efficient funding packages that will underpin the activity based funding model for mental health. It will also provide an accessible platform so that HHSs can optimise local service delivery through accessing the repository's developing business intelligence capability.

Patient journey boards

The department has invested in the introduction of electronic patient journey boards to improve patient flow and deliver better outcomes. This is a key driver for uptake of criteria-led discharge in hospital wards.

The interactive boards detail real-time information related to patient care which guides the patient journey through to discharge using a criteria-led approach. The electronic patient journey boards continue to be expanded across HHSs. Implementation of electronic patient journey boards has resulted in a reduction in staff time spent on documentation, improved communication—that in turn will have improved patient safety by reducing errors—and improved patient outcomes.

Emergency vehicle priority project

The Emergency Vehicle Priority project continued to be implemented in conjunction with the Department of Transport and Main Roads, the Public Safety Business Agency and Queensland Fire and Emergency Services.

This project provides green lights at traffic signals to approaching ambulance vehicles, improving travel time and safety for ambulance officers and members of the public. The project has been successfully piloted at the Gold Coast and Bundaberg with further roll-out to come.

Preliminary analysis of the first 50 intersections at the Gold Coast equipped with the technology indicates improvements in travel time of 10–20 per cent on commonly used routes. Surveys of ambulance officers indicates a perceived improvement in safety for both the officers and the general public.

2.3 Centralise patient information across the state, improving Queenslanders access to care.

eHealth solutions

In 2013–14, there was a further increase in the number of eHealth solutions available, with additional hospitals across Queensland receiving emergency department, operating room management, patient journey board, intensive care unit and cardiology solutions to ensure continuity and accessibility of critical patient information for clinicians.

The improved access to information has also resulted in increased access to specialist services for patients, allowing for diagnosis and treatment closer to home, rather than being transferred to large metropolitan facilities.

In conjunction with the delivery of additional eHealth solutions, and as an integral part of centralising and improving access to patient information, the department's eHealth agenda has also focussed on increasing the amount of information available through the patient information viewing application, The Viewer.

2.4 Enable Hospital and Health Boards to transition appropriate HHS primary healthcare services to the control of other health service providers.

Transition of primary health services to Gurriny Yealamucka

Evidence shows that when Aboriginal and Torres Strait Islander people participate in setting health priorities for their communities, and participate in designing and delivering health services, it can result in increased access to health services and improved health outcomes. In line with this, the department has worked with HHSs to pilot the transition of primary healthcare services to community controlled health organisations in selected sites.

In 2013–14, the first pilot was implemented in Yarrabah, where the Cairns and Hinterland Hospital and Health Service worked with the community to transition control and delivery of primary health services to the community controlled health organisation Gurriny Yealamucka. Services formally transitioned on 1 July 2014 following detailed planning and negotiation.

2.5 Ensure that health infrastructure has the flexibility and capacity to meet future service requirements.

Backlog maintenance remediation program

The department continued its oversight of the statewide four year Backlog Maintenance Remediation program which began in 2013 to rectify the $327 million backlog maintenance liability. The department established the governance and funding arrangements, continues to monitor the program, and provides guidance to each of the HHSs.

Health infrastructure

The department continues to ensure health infrastructure is able to meet service requirements by:

- working collaboratively with HHSs to design healthcare and support facilities based on models of care
- ensuring non-traditional design solutions which allow for rapid change and growth are considered and implemented
- ensuring new facility design and investment is focused on services and infrastructure to ensure ongoing support and continuity of clinical infrastructure
- delivering upgraded emergency department operating theatres, outpatient clinics, and birthing suite facilities and services in line with the *Blueprint for better healthcare in Queensland* performance objectives.

The department's capital works portfolio includes more than 200 projects, ranging from delivery of new tertiary hospitals on greenfield sites to expansion and refurbishment of smaller regional hospitals and community-based facilities across Queensland.

The 2013–14 financial year saw a number of significant capital achievements for Queensland Health infrastructure, including completion of the Gold Coast University Hospital, Queen Elizabeth II Hospital expansion, The Townsville Hospital redevelopment Stage 4—expanded regional cancer centre, Ipswich Hospital expansion, Saibai Island primary healthcare centre and Redcliffe Hospital paediatric emergency services.

Queensland Ambulance Service infrastructure

Significant capital achievements for the Queensland Ambulance Service in 2013–14 include practical completion of five replacement ambulance stations at Calliope, Kingaroy, Emerald, Cleveland and Tara.

The Queensland Ambulance Service also purchased land at Bundaberg for a new station and continued redevelopment of the Spring Hill complex and ambulance station.

The Queensland Ambulance Service operates seven communication centres which receive emergency Triple Zero (000) calls and non-urgent calls and coordinate and activate ambulance resources from 291 response locations throughout the state.

These operations centres are located in:

- Cairns
- Townsville
- Rockhampton
- Maroochydore
- Brisbane
- Southport
- Toowoomba.

2.6 Enable access to safe and sustainable care for rural and remote communities through a statewide network of Telehealth facilities.

The largest managed Telehealth network in Australia

Queensland currently has the largest managed Telehealth network in Australia with more than 1200 systems deployed in more than 200 hospital and community facilities.

The network delivers more than 40 clinical speciality and sub-specialty services across Queensland and enables access to many clinical services and advice previously not available in rural and remote communities.

In 2013–14, there were 23,748 non-admitted occasions of services reported representing a 36 per cent increase compared to 2012–13.

Telehealth infrastructure

The requirement for rollout of fit-for-purpose Telehealth technologies across HHSs is determined as part of robust service planning and analysis. Through this analysis, existing capacity is reviewed and opportunities to reconfigure or redeploy assets to areas of need are explored.

In 2013–14, $338,000 was invested in new Telehealth technologies to better support uptake of Telehealth-enabled models of care across Queensland.

Key actions to progress these strategies

Increase provision of hospital in the home services by the private and not-for-profit sectors.

The department explored partnerships with non-government agencies during 2013–14 to maximise access to hospital in the home (HITH) services.

Following a two-staged procurement process, contracts were awarded to private service providers Blue Care and Silver Chain to assist in the delivery of expanded HITH services.

In the first instance, four HHSs will pilot the public-private HITH partnerships model of care—Metro South Hospital and Health Service and Sunshine Coast Hospital and Health Service in partnership with Blue Care, and Metro North Hospital and Health Service and Townsville Hospital and Health Service in partnership with Silver Chain.

Services under these contracts began on 1 January 2014, with the pilot period ending on 30 June 2017.

Implement recommendations from the review of Health Services Information Agency.

Consultants were engaged in May 2013 to develop a detailed program plan for the full implementation of the Deloitte review of the Health Services Information Agency.

The program plan details the approach and activities to:

- implement the new service delivery model
- transition capability to a managing agent function
- develop and implement new ICT governance
- run contestability across the highest priority commodity infrastructure services.

This work has been amalgamated in to the delivery of the 10 year ICT Strategic Roadmap.

Centralise patient information via the integrated electronic Medical Record (ieMR) program, to enable clinicians and support staff to access a single view of patients' medical records.

Building on the first stage of Queensland's eHealth agenda, the department commenced delivery of an ieMR for nine of the state's public hospitals. The ieMR will be deployed in four releases to ensure it is delivered in an effective and sustainable way.

The first of the four releases, which introduces the foundations of the solution—document scanning and children's growth charts—has been implemented in:

- Cairns Hospital
- Mackay Base Hospital
- Royal Children's Hospital
- Royal Brisbane and Women's Hospital
- Princess Alexandra Hospital.

Future releases will see the introduction of increased clinical capability including order entry and results reporting (pathology and radiology), clinical documentation, alerts and allergies, discharge summary, scheduling, and medications management. The system will also be made available in The Townsville Hospital and Gold Coast Hospital and Health Service (three sites).

Provide policy and support to HHSs to transition appropriate primary healthcare services to the control of Aboriginal and Torres Strait Islander community-led health organisations.

In 2013–14, a pilot program for the transition of primary healthcare services to the control of Aboriginal and Torres Strait Islander community-led health organisations was implemented in Yarrabah. On 1 July 2014, the Cairns and Hinterland Hospital and Health Service handed control and delivery of primary health services to the community controlled health organisation Gurriny Yealamucka.

Decisions about how to implement the transition rested with the boards of the HHS and Gurriny Yealamucka. The department's role was to provide ongoing advice to support those decisions and included the development of:

- a readiness assessment framework—to support due diligence by boards
- industrial relations guidelines
- funding guidelines
- communication and engagement guidelines.

Develop, expand and coordinate the network of Telehealth facilities to improve services to patients in rural and remote communities.

During 2013–14, considerable investment has been made by the department to increase access to healthcare delivered over the Telehealth network. The establishment of dedicated Telehealth coordinator positions across the 17 HHSs supported implementation and provision of Telehealth enabled service delivery models.

Create six trial sites for the Rural Telehealth Service in 2013.

During 2013–14, the department established the Telehealth Emergency Management Support Unit to provide emergency management support and advice for rural and remote communities. Seven evaluation sites were established at Moura, Kowanyama, Normanton, Alpha, Bedourie, Roma and Eidsvold, an increase of one on the planned six evalation sites.

Ensure the activity-based funding model for Telehealth supports continued expansion of services.

The department has taken the lead nationally on a range of incentives to promote the uptake of Telehealth services. Queensland is the only jurisdiction with a statewide localisation of the national activity-based funding model, with both provider and patient-end services funded.

In 2013–14, the department announced two additional purchasing initiatives that will continue to support the expansion of Telehealth services. As of 1 February 2014, public non-admitted Telehealth service events are 'uncapped' and all in-scope activity delivered above the previous year baseline funded.

In addition, from 1 July 2014, a new payment to support the delivery of specialist medical consultations for admitted patient Telehealth events via videoconference will be available for Telehealth provider-end HHSs.

Strategic objective 3 —safe services

Focus healthcare resources on models of care that are patient-centred, safe, effective, economically sustainable and responsive to community need.

Strategies

3.1 Create a planning environment that supports integrated services that are of high clinical safety and quality and are responsive to community needs.

3.2 Support HHSs in maximising patient safety outcomes and patient experience.

3.3 Support purchasing decisions that achieve value for money, are innovative and responsive to community needs, and do not compromise quality and safety.

3.4 Design systems of care that support clinical practices that promote patient health and consumer safety.

Key actions to progress these strategies

- Develop and review health service planning guideline.
- Assist HHSs in health service planning analysis and modelling activities.
- Use health service planning analysis and information to inform healthcare purchasing decisions.
- Undertake horizon scanning, information collection and analysis to inform future policy, planning and funding of health services.
- Enhance data collection, reporting and analysis of patient outcomes, patient experience and processes of care.
- Undertake and manage statewide data collection to facilitate safe and effective care and service delivery.
- Provide clinicians with equitable access to clinical information and research to support safe and effective patient care.
- Ensure key performance indicators in HHS service agreements include measures of safety and quality.
- Support HHSs in meeting and maintaining National Safety and Quality Health Service Standards.
- Support the implementation of a strong statewide clinical governance system.
- Provision of retrieval expertise and coordination.

Key performance indicators for strategic objective 3

- Key performance indicators for strategic objective 3
- Shorter stays in emergency departments.
- Shorter waits for elective surgery.
- Shorter waits for specialist outpatient clinics.
- Lower rates of preventable hospital acquired Staphylococcus aureus blood stream infections.
- HHS average cost per Queensland weighted activity unit is below the Queensland efficient price.
- Increased collaboration with universities and/or research institutions to underpin development of innovative models of care.

3.1 Create a planning environment that supports integrated services that are of high clinical safety and quality and are responsive to community needs.

Infrastructure planning studies

Infrastructure planning studies have been completed across Queensland to ensure future infrastructure aligns to safety, quality and community requirements. Detailed planning studies have been compiled for:

- Charleville
- Roma
- Thursday Island
- Atherton
- Gympie
- Moura
- Toowoomba
- Kingaroy.

Building performance evaluations

The department conducts building performance evaluations on selected infrastructure projects.

In 2013–14, the interim report for Mackay redevelopment was completed. Planning for the Gold Coast University Hospital and Queen Elizabeth II building performance evaluation was started.

Health service planning

The department, in collaboration with health service partners, developed the:

- Respiratory medicine services statewide health service strategy 2014
- Cancer care services statewide health service strategy 2014
- Queensland Health Disability Service plan 2014-2016.

Queensland rural and remote health service framework

In June 2014, the department, in collaboration with rural clinicians, developed the *Queensland rural and remote health service framework* to support HHSs to plan for sustainable services that will improve the health equity of residents living in rural and remote communities across the state.

The framework was developed to support the Better Health for the Bush plan, which highlights existing and new health programs for rural, remote and regional communities in Queensland. Better Health for the Bush provides a roadmap for the future of rural and remote healthcare which is being backed by an increased investment in frontline service delivery and key enablers such as Telehealth and new workforce models.

3.2 Support HHSs in maximising patient safety outcomes and patient experience

Pathology testing allied health training

The department has continued to provide training to allied health professionals to enable appropriate requests for pathology. The training assists allied health professionals to make effective and efficient decisions about ordering pathology tests in order to improve patient experience and reduce waiting times.

Statewide point of care testing

The department's statewide point of care testing program continued to deliver savings and improve patient outcomes through more appropriate and targeted use of bedside testing analysers.

The department provided assistance to HHSs with implementation and management of point of care pathology testing devices as well as training. Online training in the correct use of the devices was supplemented by training via videoconference and in advanced training sessions.

Consumer Perceptions of Care snapshot survey

The department coordinates the annual mental health Consumer Perceptions of Care snapshot survey designed to measure the value consumers place on the services they receive from Queensland's public mental health services.

In 2013–14, the results of the snapshot survey were publically released for the first time highlighting performance change over the previous three collection cycles. An increased emphasis was also placed on mental health services implementing action plans

generated in response to feedback from more than 4000 mental health consumers who received care from participating services during May and June 2013.

The collection period for the next annual survey commenced on 19 May 2014.

Early warning and response system tools

Early warning and response system tools are graphical tools designed to assist clinicians to quickly detect when a patient's health is deteriorating and to support a more timely response and escalation to improve the patient's outcome.

In 2013–14, 24 early warning and response system tools were developed through clinical user-testing trials for emergency services for children, adults and maternity patients. These were developed for specific settings such as tertiary and rural and remote services.

The outcome of the trial showed that these tools assisted clinicians to recognise patient deterioration and escalate care.

Patient safety alerts and notices

Providing clinicians with timely advice on urgent and emerging patient safety issues is critical. This advice is disseminated via patient safety alerts or patient safety notices which are used to notify HHSs of potential safety and quality issues.

In 2013–14, the department issued 10 patient safety notices and 9 patient safety communiques on a range of topics—including medical alert jewellery and battery disc ingestion by children—to support HHSs in providing the safest care possible.

Guide to clinical incident management

The department recognises that adverse events or patient safety incidents occur and impact the lives of patients, families and clinicians.

In 2013–14, the department developed a Best Practice Guide to Clinical Incident Management as a resource to support HHSs in effectively managing, analysing and learning from patient safety incidents.

The guide is intended to highlight the vital role of clinical incident analysis in enhancing the safety of patient care and to support continuous quality improvement, organisational learning and a safe and just culture across the Queensland healthcare system.

Queensland Bedside Audit

The Queensland Bedside Audit is a clinical bedside patient safety audit conducted annually in Queensland. Clinicians assess and collect information on certain elements of care through reviewing clinical documentation, physically examining patients and their surrounds and asking patients questions about their care to assess if the healthcare provided is meeting expected standards. In October 2013, the third bedside patient safety audit was carried out across 120 inpatient and 20 residential aged care facilities. The audit collected data for reporting on elements of the National Safety and Quality Health Service Standards and other key safety and quality areas.

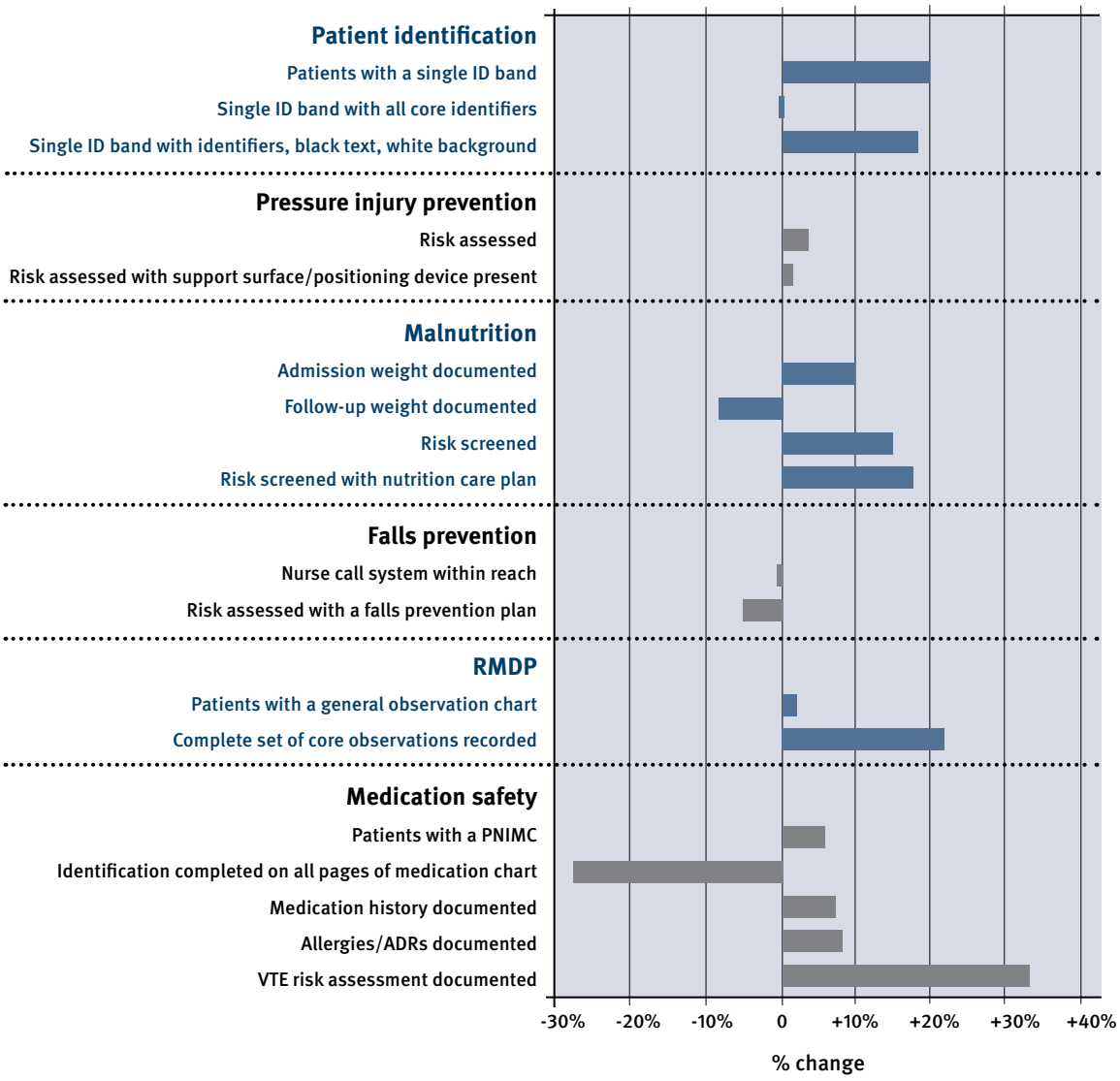
Data was collected for known highest risks for patient safety and quality, which is not usually systematically collected, such as:

- falls prevention
- malnutrition prevention
- pressure injury prevention
- medication safety
- patient identification
- recognition and management of the deteriorating patient.

Figure 6 provides an indication of the change in statewide inpatient results from 2011 to 2013. Indicators displayed are those where performance aims to reach 100 per cent. The blue bar represents the percentage change in the statewide inpatient result of those indicators that can be compared between years.

Patient experience in the emergency department

Patient experience surveys are undertaken annually, collecting information from patients and carers across Queensland about their journey as a patient. The results of these surveys assist in identifying areas for improvement at local HHS and statewide levels, leading to the development of initiatives to address areas for improvement, as well as gauging how well improvements and reforms are being implemented and received by patients.



ID: Identification; RMDO: Recognition and management of the deteriorating patient; PNIMC: Paediatric national inpatient medication chart; ADR; Adverse drug reaction; VTE: Venous thromboembolism

Notes:
Indicators displayed are those where performance aims to reach 100%.
Only 2013 QBA indicators that could be compared to 2011 indicators are displayed.
The audit question related to 'Identification completed on all pages of the medication chart' was modified from the 2011 to 2013 audit to include more specific requirements.
Percentages have been rounded to zero decimal places.

Figure 6: Change in statewide inpatient results from 2011 to 2013

The 2013 statewide emergency department patient experience survey was conducted in response to a greater strategic focus on the quality of services delivered in emergency departments. This was the second time the survey had been conducted, the first time being in 2011. A total of 10,626 patients were interviewed from 35 hospitals across Queensland.

Overall, 74 per cent of emergency department patients in Queensland hospitals rated the care they received in the emergency department as 'excellent' or 'very good' and 23 per cent rated it as 'good' or 'fair'.

Figure 7 provides an indication of those areas that received the highest proportions of favourable ratings and the highest proportions of unfavourable ratings from emergency department patients in Queensland.

Variable life adjusted display

Variable life adjusted display charts provide an easy to understand graphical overview of clinical outcomes over time and plot the cumulative difference between expected and actual patient outcomes. The charts use a logistic regression model to predict the expected outcome for each patient that is then compared to the actual outcome. This assists clinicians to monitor the quality of services provided.

Between March 2013 and February 2014, an average of 878 variable life adjusted display charts were distributed each month across 71 public hospitals. In that period, 40 significant negative variances in key safety and quality indicators were recorded. All significant negative variances are investigated by HHSs and reviewed by the Variable Life Adjusted Display Committee.

Safety and quality key performance indicator reports

Safety and quality key performance indicator reports are disseminated to HHSs and the Patient Safety Board to assist in monitoring patient safety and quality. Key performance indicators included in these reports include:

- variable life adjusted displays
- accreditation compliance
- complaints management
- incident analysis completion
- mortality ratios.

Productive Ward

Facilitated through the Productive Series, staff at a hospital unit level are trained and supported to work through a number of modules focused on improving ward processes and environments. The modules help clinicians to spend more time on patient care,

Areas of most favourable patient experience
98% rated the cleanliness of the emergency department as 'very clean' or 'fairly clean'
94% had all or some of the staff introduce themselves
93% rated the cleanliness of toilets as 'very clean' or 'fairly clean'
93% were not bothered or threatened by other patients/visitors
90% had confidence and trust in all or most of the doctors and nurses
Areas of most unfavourable patient experience
85% did not see or receive information in the emergency department about how to give feedback about the care they received
78% were not told the expected wait time to be examined
72% were not told why they had to wait
61% were not given written information about their condition/treatment
50% were not told, were only told to some extent, or did not need information, about side effects of new medications

Figure 7: Emergency department statewide results identifying the areas of most and most unfavourable patient experience

increasing staff and patient satisfaction, reducing harm to patients and improving efficiency of services.

The use of the Productive Ward program has continued to grow with 36 facilities now actively participating in the program. Some examples of improvement achieved in various wards across Queensland that are attributed to the program include:

- The average length of stay in one medical ward was reduced from 7.56 hours to 5.20 hours, while admission rates increased in the same period by 20 per cent. Readmission rates remained low.
- In one rural facility, direct care time (time spent at the bedside delivering direct patient care) improved from 35 per cent to 57 per cent.
- A ward doubled its observations reliability scores which supports better recognition of, and response to, clinical deterioration in acute health care.

Preventing falls and harm from falls

April No Falls month was promoted with the release of a social media campaign for communities.

A series of falls and dementia education videos and seminars were held for staff across HHSs. Weekly videoconference sessions were well received and provided an opportunity for information sharing and robust discussion.

The April No Falls awareness campaign was widely adopted across the state.

Preventing pressure injuries

The Adult Pressure Injury Risk Assessment tool has been developed to assist hospitals to assess and manage a patient's skin integrity on admission and throughout their stay in hospital. The 2014 Queensland Bedside Audit will be used as the documentation audit component of the trial. The final version of the tool will be released in January 2015.

Reducing preventable healthcare associated infections

The department supports HHSs in reducing preventable healthcare associated infections by:

- developing, publishing and regularly reviewing evidence-based guidelines which inform and maintain quality infection control programs within the HHSs—new guidelines published in 2013–14 include
  - patient management response if Legionella is detected in the water supply
  - multi-resistant organism trigger tools
  - 'bare below the elbows' initiative to improve the effectiveness of hand hygiene performed by healthcare workers
- providing expert clinical and technical advice to HHSs on infection prevention and control, sterilising, surveillance, cleaning and antimicrobial stewardship issues
- providing expert clinical and technical input into the investigation and management of incidents or outbreaks within HHSs and private health facilities
- developing and implementing a revised infection control management plan template to ensure services are compliant with their obligations under the *Public Health Act 2005*
- centrally coordinating the collection of statewide healthcare associated infection surveillance data
- analysing and reporting statewide healthcare associated infection data to inform statewide priorities.

Staphylococcus aureus bloodstream infections

The department supports HHSs to lower rates of preventable healthcare associated *Staphylococcus aureus* bloodstream infections by:

- providing a structured hand hygiene program that aligns to the national program (Hand Hygiene Australia)
- maintaining an evidence-based bundle of interventions known as I-Care which aim to reduce the risk of intravascular devices becoming infected—this bundle has six guidelines and an extensive number of resources that are designed to educate staff, patients and their carers on the insertion, management and use of intravascular devices
- supporting HHSs to lower rates of preventable infections through expert clinical and technical advice on
  - an overarching, facility wide infection control management plan, that identifies and manages risks
  - a clean and safe healthcare environment
  - the provision of a surveillance program that enables early detection, and thus intervention, of possible outbreaks or elevated rates of infection.

3.3 Support purchasing decisions that achieve value for money, are innovative and responsive to community needs, and do not compromise quality and safety.

Procurement

The department continued to take a strategic approach to procurement to deliver statewide solutions in 2013–14.

This involved forward planning for procurement around statewide requirements and community expectations. Clinicians, technical experts, patient safety and occupational health and safety professionals were involved in the selection and evaluation of products, equipment and services. Robust evaluation processes addressed safety, innovation, quality, clinical performance and patient well-being in determining the best value for money solution. Contracts to the value of $69.97 million were awarded under the department's Health Technology Equipment Replacement program.

Purchasing framework

In 2013–14, the purchasing framework has continued to target investment to HHSs in line with health priorities guidance and estimated future activity.

The framework has also continued to provide incentives for safety, quality and prompt access to services, with quality improvement payments for achievement of national elective surgery targets and national emergency access targets. Additional funding was also directed towards the elimination of long-wait lists for cochlear implant surgery ($7.8 million) with HHSs on track to deliver the commitment that all people currently on the waiting list would be able to receive their implants during the 2013–14 financial year—$16 million was also made available to reduce waiting times for endoscopy.

The quality improvement incentive payments aimed at improving access to stroke units, developed in collaboration with the Statewide Stroke Clinical Network, continued for a second year. All HHSs have continued to improve performance, with existing stroke units achieving the new target of 75 per cent of stroke patients accessing a stroke unit and new stroke units all achieving the new 50 per cent target.

Community health services

The department, in collaboration with HHSs, Department of Premier and Cabinet and Treasury and Trade, is systematically reviewing the clinical and cost effectiveness of community health services delivered by HHSs for the purpose of informing community health service investment decisions.

To date the review has focused on developing a robust and clinically relevant approach for specification of HHS community health services. The next stage of the project, scheduled for 2014–15, will build on initial analytical work to more clearly define the range and volumes of services provided by HHSs and develop methods for more closely aligning them to population needs and priorities.

Clinical Knowledge Network

The Clinical Knowledge Network is the department's statewide online clinical information service. In 2013–14, the department approached the market for the provision of Clinical Knowledge Network information, hosting and user support from 1 July 2014 to 30 June 2019. This open market tender process encourages prospective suppliers to offer significant benefits to Queensland Health, including:

- enhanced and up-to-date content availability
- improved accessibility and security of supply
- execution of a contract with a service provider that will deliver access to all online content, hosting, security and user support
- extended support options, including after-hours access to technical support
- increased investment by medical publishers and other suppliers in local (Australian) product development and support.

3.4 Design systems of care that support clinical practices that promote patient health and consumer safety.

Mental health models of service

Mental Health Alcohol and Other Drugs models of service have defined the structure, functions and target population of public mental health services, including specialist and statewide programs. In 2013–14, planning for models of service for alcohol and other drugs services began.

Ryan's Rule

Ryan's Rule commenced operation in December 2013 to help patients, families and carers to receive help when they are concerned about a patient in hospital who is getting worse or not improving.

It is a three step process that clearly articulates how to raise concerns to enact a prompt response. The last step of Ryan's Rule facilitates an independent clinical review of a patient on request when there are concerns the patient is getting worse or not doing as well as expected.

Ryan's Rule assists facilities to meet critera 9.7 and 9.9 of the National Safety and Quality Health Service Standards, which relate to the provision of information and support to participate in the recognition and response systems and processes and instigating an escalation of care response if required.

Ryan's Rule is provided in partnership between the Department of Health Patient Safety Unit, 13 HEALTH (13 43 25 84) and Smart Services Queensland.

Ryan's Rule is being implemented with a staggered rollout. Currently, there are 53 hospitals using the process with the remaining acute care facilities on track to commence by 31 December 2014. Consumer brochures and posters and staff educational and support materials have been developed and are in use.

Clinical Practice Manual

In 2013–14, the Queensland Ambulance Service continued a review of the Clinical Practice Manual and its transition to a fully digital version which is expected for release in 2015. This digital version will be supported by a pocket guide and smartphone app which will allow easy in-field reference.

Clinical Advice Line

The Queensland Ambulance Service continued its dedicated 24-hours-a-day, 7-days-a-week Clinical Advice Line for paramedics in the field to facilitate contact with a senior critical care paramedic and, when required, a specialist physician.

This line allows immediate advice when treatment outside the current scope of paramedic practice is required, or for any very difficult clinical scenarios where a paramedic requires assistance from a senior clinician.

Feedback from frontline paramedics is that this is an excellent service and provides a level of support that was previously not available.

Key actions to progress these strategies

Develop and review health service planning guideline.

Cancer, palliative care, endoscopy and neonatal intensive care/special care nursery guidelines have been developed and endorsed, recommendations paper for rehabilitation is in its final stage, and discussion papers for emergency department and renal dialysis planning guidelines are underway.

Assist HHSs in health service planning analysis and modelling activities.

The department has engaged with all HHSs in modelling the Estimate of Future Activity to inform the 2014–15 purchasing negotiations. The department reviewed the South West Growth Corridor Plan, and the health service plans for the South West, West Moreton and Darling Downs Hospital and Health Services.

The department has been engaged on a cost-recovery basis to work with Townsville Hospital and Health Service in health services planning and by Central West Hospital and Health Service to work with a consortium to develop a Central West-wide health service plan for public, private and non-government organisations.

Use health service planning analysis and information to inform healthcare purchasing decisions.

For the 2014-15 healthcare purchasing process, the department prepared the Health Priorities 2014-2015 paper to inform the purchasing intentions. The paper provides an evidence base from which to identify key priorities for investment in 2014-15. The paper also articulates the long-term outcomes that are expected from investment in the priorities.

Undertake horizon scanning, information collection and analysis to inform future policy, planning and funding of health services.

The department published horizon scans fortnightly, developed a summary paper on scanning related to chronic disease and developed, maintained and published electronically a rural and remote service model resource.

Undertake status reporting on developed statewide plans.

The department has developed status reports on statewide health service plans including trauma, rehabilitation medicine, renal, intensive care and diabetes services and Bowen, Galilee and Surat Basins health services plans.

Undertake and manage statewide data collection to facilitate safe and effective care and service delivery.

The department collects, processes and validates data for several major corporate health data collections. This includes statistical details on every hospital admission and all births in Queensland. The statistical information is collated, disseminated and used to enable policy, planning, evaluation and performance measurement so that patient and service outcomes can be monitored, analysed and improved.

A survey of preventive health indicators of adults and a proxy-report of infants was undertaken as part of the Queensland Health surveillance system to inform policy and practice decision making.

There were 369 adverse outcomes data and 119 sentinel event forms submitted by licensed private and day hospitals. These were analysed and 32 were investigated. As a result, system improvements have now been implemented to reduce the risk of similar events in the future.

Ensure key performance indicators in HHS service agreements include measures of safety and quality.

The key performance indicators set out in Schedule 3 of each HHS service agreement are used within the Hospital and Health Service Performance Management Framework to monitor the extent to which HHSs are delivering the high level objectives included in their service agreement and to inform the performance category which is allocated to each HHS.

The key performance indicators for 2013–14 have been defined as either Tier 1 or Tier 2 key performance indicators and are grouped into four domains of health service delivery:

- effectiveness—safety and quality
- equity and effectiveness—access
- efficiency—efficiency and financial performance
- effectiveness—patient experience.

There are four KPIs under the domain of safety and quality. These cover:

- National Safety and Quality Health Service Standards Compliance–Tier 1
- healthcare associated infections–Tier 2
- 28 day mental health readmission rate–Tier 2
- home based renal dialysis–Tier 2.

Tier 1 key performance indicators are critical system markers which operate as intervention triggers. This means that underperformance in a Tier 1 key performance indicator triggers immediate attention, analysis of the cause of the deviation and consideration of the need for intervention. All hospitals that were assessed against the National Safety and Quality Service Standards achieved accreditation in 2013–14.

Support the implementation of a strong statewide clinical governance system.

Audits were conducted of 75 licensed private and day hospitals to ensure facilities are meeting the conditions of their licence. Only minor non-conformities were identified, which facilities have rectified.

Provision of retrieval expertise and coordination.

Retrieval Services Queensland provides clinical coordination for the aeromedical retrieval and transfer of all patients from parts of northern New South Wales to the Torres Strait.

Through access to specialist paediatric, neonatal, obstetric and adult critical care medical and nursing clinicians, Retrieval Services Queensland provides regional and remote doctors and nurses with clinical support in the management and retrieval of patients who require services unable to be provided locally.

On average, Retrieval Services Queensland provides expert advice and retrieval for 54 patients per day. In 2013–14 Retrieval Services Queensland coordinated and facilitated the transfer of 17,380 patients and provided advice or other services for a further 3184 patients.

Table 6: 2013–14 Retrieval Services Queensland patient activity

	Fixed wing transfers	Rotary wing (helicopter) transfers	Road transfers	Advice	Other	Total
Adult	9,837	3,233	405	653	1,045	15,173
Paediatric	1,802	219	1,884	593	893	5,391
Total	11,639	3,452	2,289	1,246	1,938	20,564

Strategic objective 4 —value for money

Provide value in health services by maximising public investment through multi-sector partnerships in service delivery, health and medical research, infrastructure and assets.

Strategies

4.1 Develop funding models to drive increased efficiency and accountability in the delivery of publicly funded health services (links to strategic objective 6—partnerships and engagement).

4.2 Facilitate the provision of responsive, cost-effective and integrated statewide services through innovative and economically sustainable models of healthcare service delivery (links to strategic objective 6—partnerships and engagement).

4.3 Leverage the value for money benefits of contestability and system-wide procurement (links to strategic objective 6—partnerships and engagement).

Key actions to progress these strategies

- Implement the national Activity Based Funding (ABF) model for funding, and continue to develop output-based funding models for services not currently covered by ABF.
- Purchase health activity from HHSs, the private and not-for-profit sectors.
- Re-orient the health achievements of the government to be measured against the range and number of health services provided to Queenslanders.
- Focus grants on maximising service delivery through support of core clinical services.
- Ensure the uniform and robust treatment of new health business opportunities involving the private and non-government sectors, by utilising the Ministerial Health Infrastructure Advisory Council as a new portal for contact with project proponents.
- Afford Indigenous-owned and run business ventures new opportunities to develop high standard healthcare services.
- Redirect resources that are currently diverted to sustain and gradually repair the health payroll system into clinical services.
- Review purchasing and investment opportunities via a contestability framework.
- Actively participate in and implement the whole-of-government procurement transformation program.

Key performance indicators for strategic objective 4

- Shorter stays in emergency departments.
- Shorter waits for elective surgery.
- Shorter waits for specialist outpatient clinics.
- On track to achieve national Aboriginal and Torres Strait Islander closing the gap targets.
- HHS average cost per Queensland weighted activity unit is below the Queensland efficient price.
- Increased collaboration with universities and/or research institutions to underpin development of innovative models of care.
- Increase in service provision contracts released to open tender.

4.1 Develop funding models to drive increased efficiency and accountability in the delivery of publicly funded health services.

Payroll improvements

In 2013–14, the department continued to implement changes to enhance Queensland Health's rostering and payroll environment, improve the pay outcomes for employees, reduce the level of fortnightly overpayments, and reduce recurrent operational payroll costs.

The rollout of the Payroll Self Service system across Queensland Health was completed in August 2013. At the end of June 2014, more than 71,000 employees had voluntarily registered for the service and now receive their pay slips online. Online pay slips saved approximately $450,000 in printing and distribution costs in 2013–14. From 1 July 2014, Queensland Health staff were able to access their payment summaries online for the first time.

The Queensland Ambulance Service continues to use the payroll system that was in place prior to the transition to the department.

The Queensland Ambulance Service and its partner agencies—the Public Safety Business Agency, Queensland Fire and Emergency Services and Queensland Corrective Services—continued the program to replace the aged and obsolete LATTICE payroll-based human resource information system with a modern, contemporary system.

National efficient price

The *Blueprint for better healthcare in Queensland* set a goal to improve the performance of the Queensland healthcare system to match the national efficient price by mid-2014.

Substantial progress has been made towards meeting this goal. The 2013–14 cost per Queensland weighted activity unit was $4397, which is below the benchmark Queensland efficient price. The Queensland efficient price is equivalent to the national efficient price, adjusted to reflect differences in Queensland's activity based funding model.

Savings generated as a result of improved efficiency have been reinvested into frontline service delivery.

Mental health services

The Mental Health Alcohol and Other Drugs Branch and the Healthcare, Funding, Purchasing and Performance Branch worked to develop output-based funding models to drive increased efficiency and accountability in the delivery of publicly funded mental health community-based services.

To inform this work, the Queensland Centre for Mental Health Research was engaged to review the cost, capacity and activity of the public sector community mental health services in Queensland in the context of relevant benchmarks. This report recommended the introduction of a shadow funding model to be implemented from 1 July 2014.

The department accepted the recommendation and will implement a shadow funding model for specialised community mental health services to operate in 2014–15.

4.2 Facilitate the provision of responsive, cost-effective and integrated statewide services through innovative and economically sustainable models of healthcare service delivery.

Healthcare Innovation Fund

The Healthcare Innovation Fund was established to drive the use of innovative service models, to deliver better care at lower cost, and to enable the delivery of significant change at a scale and pace which would not be possible without investment funding.

Programs funded include:

- Keeping Kidneys program—model of shared care with primary care for people with chronic kidney disease.
- Telehealth Oncology Service—administration of chemotherapy in rural and remote hospitals using a remote tele-nursing supervision model.
- Comprehensive Aged Residents Emergency and Partners in Assessment Care and Treatment—a 'one-stop-shop' for acutely unwell residential aged care facility residents, including telephone triage, mobile emergency assessment, and a care and treatment team.

Single point of administration

From 1 May 2014, Queensland Health implemented a single point of administration for the Medical Aids Subsidy Scheme (MASS), the Community Aids Equipment and Assistive Technology Initiative (CAEATI), and the Vehicle Options Subsidy Scheme (VOSS), which was previously administered by the Department of Communities, Child Safety and Disability Services.

MASS is administered through Metro South Hospital and Health Service and is a statewide service assisting people with a permanent and stabilised condition to be discharged from hospital to live at home. MASS has eligibility criteria, published guidelines, clinical governance, standing offer arrangements and comprehensive data.

Until March 2013, the Department of Communities, Child Safety and Disability Services had a decentralised system providing non-recurrent funding on a case-by-case basis for people with disability under the *Disability Services Act 2006 (Qld)* to support community engagement. From March 2013, the Department of Communities, Child Safety and Disability Services consolidated this into two initiatives—CAEATI and VOSS—with an estimated expenditure of $5 million per annum.

Many clients of MASS, CAEATI and VOSS access a combination of these programs. However, different objectives, processes and locations of MASS, CAEATI and VOSS can be confusing for clients. A single service will reduce confusion for clients and prescribers by providing a single access point for most aids and equipment, improve data, decrease duplication, reduce red tape and generate cost savings.

Mental Health capital works

The department has continued to progress the Mental Health capital works program that contributes to the provision of better services for patients and better healthcare for the community. In 2013–14, the 20-bed Extended Forensic Treatment Unit in Wacol and the eight-bed Adolescent Mental Health Unit in Townsville became operational.

Decentralisation of mental health extended treatment and rehabilitation services from the Baillie Henderson Hospital and The Park Centre for Mental Health continues, ensuring individuals are supported to transition to contemporary community-based accommodation and models of care.

Telehealth Services

Telehealth has transformed service delivery and access to a number of communities and under-serviced populations in Queensland.

In 2013–14 Telehealth was used to support delivery of:

- services to admitted and non-admitted patients
- statewide emergency management support and advice
- aeromedical retrieval coordination across Queensland.

The Rural Telehealth Service has provided unprecedented and improved access to a new generation of safe and sustainable healthcare services for residents in small, rural or remote communities. In supporting implementation of the service, the department has completed a number of key initiatives in 2013-14:

- Dedicated Telehealth coordinators have been established across 17 HHSs to support the implementation of Telehealth-enabled service delivery models.
- The Telehealth Support Unit was established and is working collaboratively with HHSs, Telehealth coordinators, primary care and key partners in the development of Telehealth service delivery models throughout Queensland.
- The Telehealth Emergency Management Support Unit was established to facilitate the delivery of timely emergency management support and advice across the state, with an initial focus on the seven Telehealth evaluation sites—Alpha, Bedourie, Eidsvold, Kowanyama, Moura, Normanton and Roma.

In 2013–14 there were:

- 23,748 non-admitted patient Telehealth occasions of service
- 13,094 tele-mental health provisions of service
- 640 admitted patient Telehealth events
- 161 Telehealth supported trauma management and aeromedical retrieval services.

The most frequent non-admitted patient services delivered using Telehealth were oncology, orthopaedic surgery, diabetes, paediatric medicine, gastroenterology, general medicine, cardiology, pre-admission and pre-anaesthesia, midwifery and obstetrics. The most frequent admitted patient Telehealth services were predominantly to deliver remote intensive care management and geriatric management advice and support.

Blood and blood product use

In 2013–14, expenditure on blood and blood products was $96 million, which was a 9.7 per cent increase on 2012–13. The increase was due to both an increase in the price of blood and blood products and an increase in use. However, based on previous year trends, the forecast expenditure in 2013–14 was expected to be $103.5 million.

Nurse-led transfusion initiatives in major hospitals and national programs on improved patient blood management reduced the overall use of blood and blood products. Transfusion nurses were employed across six HHSs—Cairns and Hinterland, Gold Coast, Metro North, Metro South, Sunshine Coast, Townsville—and at Mater Health Services.

Organ donation and transplantation

Queensland continued stable organ donation and transplantation outcomes in 2013, with 77 donors compared to 78 in 2012 and 219 transplant recipients compared with 226 recipients in 2012.

Given the 2012 organ donation rate was a record for the state, this stable outcome demonstrated that the implementation of national reform initiatives were sustainable.

Child Dental Benefits Schedule

The Child Dental Benefits Schedule began on 1 January 2014. The schedule is an Australian Government-funded program administered by the Department of Human Services. For eligible children aged 2–17 years, the schedule provides benefits of up to $1000 over two calendar years for general dental care.

The schedule represents an opportunity for Queensland public oral health services to reinvest benefits back into services to further enhance the level and quality of dental care our patients receive.

The introduction of the schedule supports the work already undertaken by the department and public oral health services to focus on the early years. The schedule has the capacity to realise significant improvements in the oral health status of Queensland children. In addition, the department has made a policy commitment to Queensland's children by expanding eligibility for publicly funded oral healthcare to include all children eligible for the schedule.

Low Acuity Response Unit

The Queensland Ambulance Service's Low-Acuity Response Unit pilot program was launched in July 2013 to provide an alternative and appropriate treatment pathway for patients who do not require a rapid emergency ambulance response. This results in fewer emergency department presentations. The unit uses sedans rather than traditional emergency ambulance vehicles, allowing these vehicles to be available to respond to higher-acuity cases.

An evaluation of the pilot program demonstrated positive clinical outcomes and patient safety and was well accepted by the community. The initial pilot program consisted of two vehicles located in the Metro North Local Ambulance Service Network (LASN). The number of vehicles is being increased in 2014–15 to provide additional resources in Metro North LASN, as well as Metro South, Gold Coast and Townsville LASNs. This will bring the total number of units to six in both Metro North and Metro South LASNs, four in the Gold Coast LASN and two in the Townsville LASN.

4.3 Leverage the value for money benefits of contestability and system-wide procurement.

Information and communications technology reform

An ICT reform program of work was launched in July 2013, which incorporates a contestable bundle stream. Currently, two of the planned eight contestable bundles of ICT services have been progressed. The first two bundles—health workspace and telephone, paging and messaging—are progressing through whole-of-government governance approvals and have an anticipated release to the open market. The remaining bundles will commence in a staged manner in 2014–15.

Contestability reviews

In 2013–14, the department began prioritised contestability reviews of a number of service areas outlined in the *Blueprint for better healthcare in Queensland*. Reviews completed in this period resulted in:

- the establishment of a statewide standing offer arrangement for medical typing services which has the potential to realise $6 million in savings per annum and decreased turnaround times

- the establishment of contracts for the delivery of hospital in the home services across Queensland by two tiers of non-government providers—this initiative is geared towards improving health outcomes through the provision of clinical support in the home, improving service provision and the realisation of potential savings of 25 per cent in comparison to HHS service provision
- the provision of medical imaging equipment and/or services at Goondiwindi, Warwick, Roma, Longreach and Mount Isa.

In addition:

- preliminary business cases have been completed for Central Pharmacy, Group Linen Services, Health Contact Centre, Pathology Queensland, and Supply Chain and Logistics
- market engagement involving the manufacturing function of Central Pharmacy is in progress, and significant interest has been registered by leading national and global pharmaceutical providers in a commercial partnership for mutual growth and revenue generation
- preliminary market sounding on the supply chain has demonstrated deep market capability with multiple interested parties
- subsidy arrangements for Health Contact Centre have been confirmed by the Australian Government, and correspondence continues between the Queensland and Australian Health Ministers to clarify fee arrangements
- business improvement and readiness work will continue into 2014–15 in Pathology Queensland, Forensic and Scientific Services, and Biomedical Technology Services to quantify risk and prepare those business lines for a more comprehensive contestability review.

Other statewide service delivery reviews include:

- telephony
- health workspace
- medical equipment services
- integrated hotel services
- clinician knowledge network
- integrated care
- patient transport
- ophthalmology services
- hospital in the home services
- medical typing and imaging services.

A number of local contestability reviews were also initiated during this period by individual HHSs to respond to local needs. Some HHSs—such as the Sunshine Coast, Gold Coast and Children's Health Queensland—have also proactively leveraged opportunities to collaborate and share knowledge and experience to generate greater efficiencies and value.

These reviews will enable resources to be used more effectively; streamline, improve and increase service delivery efficiency; encourage innovation; and create opportunities and partnerships that will support positive outcomes for Queensland.

The Queensland Commission of Audit Report also made recommendations for mental health to achieve improved efficiency and productivity of mental health services, in particular for sub-acute services and community care units. Exploration of investment opportunities for six new community care units began in partnership with relevant HHSs.

Energy efficiency projects

The department managed energy efficiency projects at Roma Hospital, Royal Brisbane and Women's Hospital, The Prince Charles Hospital, Robina Hospital and Ingham Hospital. These projects deliver guaranteed savings of more than 11 million kWh per year in electricity and more than $1 million in cost savings.

By 30 June 2014, energy-efficiency projects had begun at Toowoomba Hospital, Robina Hospital, Logan Hospital and Beaudesert Hospital to reduce energy usage and costs, and to make the sites more efficient. A tender process to install Power Factor Correction at 13 Metro North HHS facilities began, so the sites use power more efficiently and provide savings.

Queensland Health also joined the whole-of-government large and small market electricity arrangement. Potential savings of more than $6 million may be realised from 2014–15.

Procurement transformation

Queensland Health is a key participant in the whole-of-government Procurement Transformation Program. Wave 1 outcomes, including new supplier panels and commercial terms, were implemented. Annualised benefits of between $20 million and $20.5 million were identified across the pharmaceuticals, prosthetics, clinical consumables and contingent labour categories. Realisation of these savings began in 2013–14.

Wave 2 of the program began with further price reductions targeted for pharmaceuticals and prosthetics, as well as pathology consumables of between $18 million and $33 million. Queensland Health also participated in the non-medical mega-categories and the whole-of-government Building and Construction Maintenance Program initiative.

Leading practise procurement and sourcing capability was established collaboratively with HHSs to achieve immediate and tangible cost savings and process simplification. A sustainable procurement operating model was developed to improve end-to-end procurement processes to reduce red tape and speed up access to the market.

Key actions to progress these strategies

Implement the national activity based funding model for funding, and continue to develop output-based funding models for services not currently covered by activity based funding.

In 2013–14, work continued to further refine the output-based funding models in use in Queensland for breast screen services and oral health, with the aim to improve efficiency in these areas.

Purchase health activity from HHSs, the private and not-for-profit sectors.

Going to the marketplace for new and ongoing investments, ensures that all providers have the opportunity to contest and demonstrate how value will be delivered for health investments. Through the request for offer process, grants and service procurement purchasing across the department improved the way in which value for money was achieved.

To reduce pressure on elective surgery waiting lists in public hospitals, private providers are engaged to treat 'long wait' patients through the Surgery Connect program. This program aims to provide alternative treatment options for long-wait elective surgery patients, either in the private sector or by making use of available capacity in the public sector outside of normal operating hours.

In 2013–14, more than $25 million was expended via the Surgery Connect program to reduce elective surgery waiting lists. More than 4500 procedures were undertaken by private providers to treat long wait elective surgery patients.

Re-orient the health achievements of the government to be measured against the range and number of health services provided to Queenslanders.

Health services provided to Queenslanders are measured in both raw counts—the number of patients seen—and by a weighted activity unit measure—the level of resource intensity used to provide services across the range of health services. In line with the implementation of the national activity based funding (ABF) model, reporting was standardised against the in-scope services, but was also reported in the same manner for services that were currently out-of-scope of the national ABF model.

Focus grants on maximising service delivery through support of core clinical services.

In 2013–14, there was ongoing scrutiny and process improvements to grants funding to non-government providers by:

- establishment of a working group to review all grants and services investment proposals, prior to approval, against value for money criteria and align grant outcomes with the department's strategic agenda, including the commitment to core clinical services
- implementation of contestable funding processes through tendering of programs such as alcohol and other drugs, community mental health, blood borne virus and sexually transmissible infections programs, multicultural health promotion and health education program and palliative care 24 hour phone service
- tender documentation required to outline outcome indicators, which will flow through to individual service agreements performance measures.

Additionally, significant funding and procurement reforms have occurred under the One-Government, Social Services Reform program.

Major reforms include:

- adoption of a standardised suite of service agreements, with consistent terms and conditions, across government, which in time will enable streamlining of agreements for providers with multiple funded projects—the department has been the first agency to use these new agreements in contracting
- application of Queensland Treasury and Trade guidelines regarding the classification of payments to non-government entities, resulting in further clarification of grants and health service procurement and payment arrangements for reporting processes
- uploading of social services expenditure records for the previous financial year and available social service funding in the current year by department onto the Social Services Investment Portal, enabling transparent, consistent information on the delivery of social services accessible to the public.

Ensure the uniform and robust treatment of new health business opportunities involving the private and non-government sectors, by utilising the Ministerial Health Infrastructure Advisory Council as a new portal for contact with project proponents.

The department facilitated the establishment of the Ministerial Health Infrastructure Advisory Council to ensure uniform and robust treatment of new health business opportunities involving the private and non-government sectors.

Afford Indigenous-owned and run business ventures new opportunities to develop high standard healthcare services.

Aboriginal and Torres Strait Islander health organisations are funded to deliver specific services and programs to Aboriginal and Torres Strait Islander Queenslanders, particularly multi-disciplinary healthcare teams focussed on chronic disease in 17 locations across Queensland. Indigenous health organisations will be given opportunities to establish new services through contestable processes.

In addition, a pilot program for the transition of primary healthcare services to the control of Aboriginal and Torres Strait Islander community-led health organisations was implemented in Yarrabah. On 1 July 2014, the Cairns and Hinterland Hospital and Health Service handed control and delivery of primary health services to the community controlled health organisation Gurriny Yealamucka.

Actively participate in and implement the whole-of-government procurement transformation program.

The department was represented at the Wave 2 Working Group and Steering Committee for Building Construction and Maintenance program.

Strategic objective 5 —governance and innovation

Foster a health system that is transparent, accountable and innovative.

Strategies

5.1 Support the implementation and continuous quality improvement of robust statewide clinical and administrative governance systems (links to strategic objective 3—safe services).

5.2 Create and maintain a robust and cost-efficient regulatory framework for the delivery of safe and high quality health services that complies with state and national best practice regulation principles.

5.3 Undertake and manage statewide public health sector data collection to monitor performance and safe and effective care and service delivery (links to strategic objective 1—healthy Queenslanders).

5.4 Provide benchmarked data that shows performance against efficiency and access targets to promote public confidence in the public health sector (links to strategic objective 2—accessible services).

5.5 Enhance transparency of information to the public by releasing data, where appropriate, under the Open Data Initiative.

5.6 Establish, monitor and manage internal control processes that promote strong corporate governance and management of public funds.

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

5.8 Enhance quality through ongoing innovation, teaching and research, and support for continuous learning.

Key actions to progress these strategies

- Redesign the health complaints system and introduce legislation to improve the response to allegations of medical malpractice.
- Increase the number of hospitals reporting on their activity and performance on the Queensland Health website.
- Continue the investigation of the health payroll system through the Commission of Inquiry, led by the Honourable Richard Chesterman QC.
- Encourage Department of Health and HHS staff to report waste and duplication and contribute new ideas about what constitutes best practice in healthcare delivery through the Fight the waste intranet site.
- Systematically review the administrative burden of legislation and regulation, forms and process, and compliance and enforcement activities, with a view to a reduction in requirements where it is efficient and safe to do so.
- Undertake and distribute horizon scanning information to raise awareness of new and emerging policy issues and research.
- Prioritise policy and strategy development in line with the *Blueprint for better healthcare in Queensland* and Queensland Government response to the Commission of Audit report (e.g. outpatients, primary healthcare)
- Establish a healthcare innovation fund to support innovation.

Key performance indicators for strategic objective 5

- Increased collaboration with universities and/or research institutions to underpin development of innovative models of care.
- Number of data sets released under the Open Data Initiative.
- Percentage of agreed red tape reduction initiatives on track for delivery.

5.1 Support the implementation and continuous quality improvement of robust statewide clinical and administrative governance systems (links to strategic objective 3—safe services).

Contract management

In 2012–13, a review of the administration of service delivery payments (grants) to external entities such as non-government organisations was conducted by the former Queensland Auditor-General Glenn Poole.

Improvements to contract management have focussed on assurance and compliance processes. This involved early identification and implementation of remedial action, through annual desktop financial and performance review and risk-based reviews and audits, where necessary.

Reviews of approximately 20 per cent of funded organisations occurred in 2013–14, and the findings were applied to change funding arrangements and improve sustainability measures across the board.

Integration of planning activities

The Integrated Planning Advisory Group met quarterly to facilitate the integration of planning activities across the department.

A regularly updated register of national, state and departmental health service plans supports the department and HHSs in their planning, implementation and review of health services to focus on necessary national and state health service directions and strategies.

The department again achieved *SAI Global ISO 9001:2008* re-certification for the functions and processes associated with health service planning.

Mental Health Alcohol and Other Drugs Clinical Governance Framework

The Mental Health Alcohol and Other Drugs Clinical Governance Framework will guide the development of clinical governance strategies for the provision of high quality healthcare in a coordinated and consistent approach.

The framework was approved by the Mental Health Alcohol and Other Drugs Clinical Network and will be submitted for endorsement.

Credentialing

Queensland Health requires all identified medical practitioners and dentists to be credentialed and have a defined scope of clinical practice to support the delivery of safe and high quality healthcare. In 2013–14, the department:

- reviewed the mandatory credentialing and defining scope of clinical practice health service directive and policy
- developed a guide to credentialing and defining scope of clinical practice for medical practitioners and dentists in Queensland—a key risk management document to assist in the management processes that underpin the maintenance of clinical governance at a service level.

Review of radiation licence application forms

The application forms for licences issued under the *Radiation Safety Act 1999* were reviewed to ensure they are reasonable and easier to correctly complete. This has resulted in the streamlining of licensing processes to reduce the regulatory burden and remove unnecessary red tape. In particular, three fast-track forms have been developed for medical radiation practitioners, dental practitioners and veterinary practitioners.

Applicants who meet certain specific requirements are able to be dealt with via a system-based assessment method and are able to obtain a licence in approximately two weeks. Further fast-track forms and associated administrative arrangements are in development.

Internal protocols have been established to formalise the expectations for the processing of renewals and fast track applications, providing a transparent mechanism to measure performance.

5.2 Create and maintain a robust and cost-efficient regulatory framework for the delivery of safe and high quality health services that complies with state and national best practice regulation principles.

Public hospital accreditation

To ensure Queensland public hospitals deliver safe and high quality health services, the department requires all public hospitals, through HHS service agreements and the Patient Safety Health Service Directive, to:

- maintain accreditation under the Australian Health Service Safety and Quality Accreditation Scheme against the 10 predominately clinical National Safety and Quality Health Service Standards and non-clinical standards
- undertake a self-assessment against the Clinical Services Capability Framework to ensure the services provided by each HHS meet the minimum capability criteria
- monitor, review and respond to agreed patient safety indicators with results above predetermined targets
- instigate an analysis of any clinical incident resulting in death or permanent harm which is not reasonably expected as an outcome of healthcare and report on factors contributing to the incident and recommendations to prevent or reduce the likelihood of a similar event occurring.

Reducing the regulatory burden

The department is committed to meeting whole-of-government targets, in addition to developing a program of initiatives which proactively targets and reduces the regulatory burden on government, business and the community. These initiatives must also balance the quality and safety of health services and enable innovation. This work aims to reduce duplication, inconsistency, bias, restrictiveness and costs of legislation, regulations and quasi-regulation (codes, standards and guidelines).

An annual action plan and regulatory reform work program sets priorities for reform. In 2013–14, it included a legislative program, departmental review projects including a health service directives review, human resources policy review, Clinical Services Capability Framework review project, occupational health and safety policy review, and agency reporting.

Reviews of signification health portfolio legislation were progressed in 2013–14. The development of a new Act covering medicines, poisons and therapeutic goods will replace the outdated *Health Act 1937* and its subordinate regulations to provide a contemporary regulatory framework aimed at reducing red tape for stakeholders while maintaining appropriate access and safety for the community.

The review of the *Mental Health Act 2000* and development of a new Act aims to strengthen support for patients, improve health service delivery, strengthen community protection, provide for a simpler and fairer Act and improve legal processes. A discussion paper for the review was released in May 2014.

Reducing duplication of safety and quality compliance for private health facilities

The department has actively engaged at a national level with other jurisdictions to reduce duplication of safety and quality compliance requirements for state and territory private health facilities regulation. This work resulted in the identification of a number of areas of duplication and a set of recommendations to address these areas for the consideration of Australian Health Ministers.

Regular liaison with Queensland Treasury and Trade and the Office of Best Practice Regulation informs health legislative development to meet Council of Australian Governments best practice principles for regulation making for best regulatory policy development.

5.3 Undertake and manage statewide public health sector data collection to monitor performance and safe and effective care and service delivery (links to strategic objective 1—healthy Queenslanders).

Mental Health Alcohol and Other Drugs Performance Framework

The Mental Health Alcohol and Other Drugs Clinical Network endorsed the Mental Health Alcohol and Other Drugs Performance Framework inclusive of multiple performance indicators and targets, which complements the performance reporting required by the HHS service agreements.

The purpose of the framework is to provide an integrated process for assessment, reporting and review of the performance of the mental health alcohol and other drug services in Queensland. The framework is designed to facilitate quality improvements in service delivery with the goal of achieving better outcomes for consumers.

Performance is reported monthly, displaying the 13 month trend and is published on the department's intranet site.

BreastScreen Queensland register

The BreastScreen Queensland register began in 2002 and is a statewide enterprise interactive register used by HHSs to manage service delivery and by the department to monitor and report on BreastScreen Queensland activity and performance. Data from the register is also provided to external agencies such as the Australian Institute of Health and Welfare to report on activity and the performance of BreastScreen Queensland services.

In 2013–14 the BreastScreen Queensland register managed and reported on the results of 244,700 women who underwent screening. Enhancements to the register have included increased use of text messages—rather than letters—to remind women of appointments, and transitioning towards electronic notification of results for women and services providers.

Statewide nursing and midwifery performance management

The Nursing and Midwifery Office Queensland developed a Nursing Performance Scorecard in August 2013 and the Queensland Public Health Maternity Services Overview in January 2014. Being some of the first of their kind across Australian public healthcare services, the tools support high level monitoring of macro trends within the department, as well as enabling the identification of emergent trends and issues and the results of service interventions at the local level. The scorecard monitors:

- skill mix measures—focus on grades of nursing across service settings
- sustainability measures—age, retirement risk, new graduates, leave data
- productivity and efficiency measures—reductions in high cost labour, nursing cost per weighted activity unit, nursing hours per patient day, weighted activity units per nursing FTE
- nurse sensitive quality information—reported blood transfusion incidents, reported medication administration incidents per 1000 patient days, reported inpatient falls per 1000 patient days, reported hospital acquired pressure injuries per 1000 patient days.

The maternity overview focuses on:

- number of births
- number of eligible midwives
- models of care available across antenatal, intrapartum and post-partum
- future intentions regarding service delivery models.

The scorecard and maternity overview are used to directly engage with health service chief executives, as well as executive directors of nursing and midwifery. There is an additional focus on highlighting excellence in achievement across the nursing and midwifery services.

The interactive tools use business intelligence and visual analytics principles to support greater retention and understanding of information. They support enhanced problem solving and decision making by enabling tailored analysis of interlinked metrics. Visualisation of data, including intelligent use of graphs, colours and shading supports identification of trends and issues with the use of slicers allowing rapid investigation of trends across multiple measures. The tools will be dynamic, evolving over time in response to department and HHS priorities.

5.4 Provide benchmarked data that shows performance against efficiency and access targets to promote public confidence in the public health sector (links to strategic objective 2—accessible services).

Performance data

The department publishes up-to-date data on the Queensland Health website on the activity and performance of a number of health service areas, including ambulance response times, emergency departments, elective surgery, hospital activity, oral health, patient experience, health workforce, healthcare infection rates, specialist outpatients, and radiation services. This data is also published in newspapers.

Publishing this data online maximises transparency of hospital performance to keep communities informed about their local hospital and drive improvements within the HHSs.

The Queensland Ambulance Service publicly reports a range of clinical outcomes and other measures of service performance. Performance measures span the domains of care for patients, care for staff, daily activity, service delivery, value for money, and national comparison.

Table 7: Quicker ambulance response times

Local Ambulance Service Networks	Jan—Mar 2012 times (minutes)	Apr—Jun 2014 time (minutes)
Cairns and Hinterland	15.3	16.2
Cape York and Torres Strait	23.2	25.1
Central Queensland	15.8	15.3
Central West	50.7	47.9
Darling Downs	19.6	21.1
Gold Coast	15.5	15.5
Mackay	21.4	19.3
Metro North	16.5	15.4
Metro South	15.4	15.7
North West	11.0	12.0
South West	42.0	44.5
Sunshine Coast	18.5	17.9
Townsville	14.4	13.9
West Moreton	17.3	17.8
Wide Bay	18.7	19.1
All LASNs	16.5	16.3

Time (in minutes) within which 90 per cent of emergency (code 1) incidents were responded to.

Table 8: Fewer long wait patients

Hospital and Health Service	Mar 2012	Jun 2014
Cairns and Hinterland	393	25
Central Queensland	157	53
Children's Health Queensland	62	0
Darling Downs	319	38
Gold Coast	107	96
Mackay	27	2
Mater Health Services	82	0
Metro North	1,992	35
Metro South	1,762	623
North West	0	0
Sunshine Coast	134	173
Townsville	747	0
West Moreton	575	19
Wide Bay	128	4
All HHSs	6,485	1,068

Total number of patients (including those patients not ready for care as at June 2014) who have waited longer than clinically recommended for their surgery.

Table 9: Fewer long wait dental patients

Hospital and Health Service	Mar 2013*	Jun 2014
Cairns and Hinterland	1,307	0
Cape York	2	0
Central Queensland	3,659	0
Central West	126	0
Darling Downs	7,222	0
Gold Coast	4,407	0
Mackay	272	0
Metro North	14,307	0
Metro South	10,859	0
North West	10	0
South West	73	0
Sunshine Coast	4,085	0
Torres Strait/NPA	0	0
Townsville	2,207	0
West Moreton	3,512	0
Wide Bay	9,357	0
All HHSs	61,405	0

Number of people waiting 2 years and over on the general care waiting list.

Table 10: Shorter stays in emergency departments

Hospital and Health Service	Apr—Jun 2014 %	Jan—Mar 2012 %
Cairns and Hinterland	55	68
Central Queensland	76	76
Children's Health Queensland	81	87
Darling Downs	65	79
Gold Coast	61	74
Mackay	77	82
Mater Health Services	67	85
Metro North	57	74
Metro South	55	72
North West	89	90
Sunshine Coast	68	79
Townsville	62	73
West Moreton	63	81
Wide Bay	79	78
All HHSs	63	76

Percentage of ED patients whose length of stay in ED was under four hours.

Table 11: Increased support for families under the new Mums and Bubs Policy

Hospital and Health Service	Jan—Mar 2014	Apr—Jun 2014	Difference %
Cairns and Hinterland	1,120	1,048	-6
Cape York	86	71	-17
Central Queensland	1,387	1,189	-14
Central West	49	53	8
Darling Downs	1,135	988	-13
Gold Coast	1,576	1,540	-2
Mackay	784	743	-5
Metro North	2,892	3,129	8
Metro South	5,947	6,217	5
North West	206	210	2
South West	106	113	7
Sunshine Coast	1,012	1,051	4
Torres Strait and Northern Peninsular	52	52	0
Townsville	1,074	1,272	18
West Moreton	1,125	1,297	15
Wide Bay	749	699	-7
All HHSs	19,300	19,672	2

Number of families who received an in home visit at either two, four weeks or both.

Table 12: Percentage of people seen on time for surgery

	Urgent surgery[1]—within 30 days		Semi-urgent surgery[2]—within 90 days		Non-urgent surgery[3]—within 365 days	
Hospital and Health Service	Jan—Mar 2012 %	Apr—Jun 2014 %	Jan—Mar 2012 %	Apr—Jun 2014 %	Jan—Mar 2012 %	Apr—Jun 2014 %
Cairns and Hinterland	85	99	58	80	86	68
Central Queensland	81	99	58	89	99	98
Children's Health Queensland	97	100	74	94	96	92
Darling Downs	90	100	58	94	97	100
Gold Coast	89	96	78	89	98	96
Mackay	89	100	76	100	85	100
Mater Health Services	94	100	86	97	100	98
Metro North	87	94	70	85	89	88
Metro South	81	98	77	80	79	81
North West	100	99	100	100	100	100
Sunshine Coast	86	93	78	76	97	96
Townsville	89	100	61	94	62	98
West Moreton	88	100	77	98	90	98
Wide Bay	77	97	73	86	85	90
All HHSs	86	97	73	86	90	92

[1] % of Category 1 elective surgery patients treated whose waiting time was within the clinically recommended 30 days.
[2] % of Category 2 elective surgery patients treated whose waiting time was within 90 days.
[3] % of Category 3 elective surgery patients treated whose waiting time was within 12 months.

Table 13: Shorter waits for specialist outpatient clinics

Hospital and Health Service	Apr—Jun 2014 %	Jul—Sep 2012 %
Cairns and Hinterland	70	48
Central Queensland	61	78
Children's Health Queensland	58	92
Darling Downs	45	49
Gold Coast	57	80
Mackay	54	66
Metro North	55	45
Metro South*	44	45
North West	58	63
Sunshine Coast	55	58
Townsville	50	53
West Moreton	62	70
Wide Bay	52	90
All HHSs	53	55

Percentage of category 3 specialist outpatients waiting for their first appointment whose waiting time was within 12 months.
*excludes Princess Alexandra Hospital.

Table 14: Better value for money

Hospital and Health Service	$ cost	difference %
Cairns and Hinterland	4,294	-4.6
Central Queensland	4,480	-0.5
Children's Health Queensland	4,978	10.6
Darling Downs	4,270	-5.2
Gold Coast	4,435	-1.5
Mackay	4,554	1.1
Metro North	4,665	3.6
Metro South	4,583	1.8
North West	5,863	30.2
Sunshine Coast	4,395	-2.4
Townsville	4,401	-2.3
West Moreton	4,168	-7.4
Wide Bay	4,644	3.1
State average	4,529	0.6
Benchmark cost target	$4,503	

The updated 12 month result is based on nine months of 2012-13 and the first three months of 2013-14.

The benchmark cost target of $4503 is based on nine months of the 2012-13 target of $4450 and three months of the Queensland Efficient Price for 2013-14 of $4660.

The QEP is equivalent to the National Efficient Price (NEP), adjusted to reflect differences in the Phase 16 Queensland ABF model compared to the national ABF model.

Hospital and Health Services were established on 1 July 2012. *Data collection commenced to support National Partnership Agreement.

5.5 Enhance transparency of information to the public by releasing data, where appropriate, under the open data initiative.

Transparency

The department publishes a range of data that is of interest to the public on the Queensland Health website. Release of this information is consistent with the open data initiative and demonstrates the department's commitment to openness and honesty.

The department upholds its legislative obligations by maintaining a disclosure log of right to information applications and a current publication scheme. Data that is restricted for reasons of privacy, public safety, security, commercial confidentiality or compliance with the law is not released, including health records, individual employee records and other personal information.

Release to open data initiative

The following information was released as part of the open data initiative:

- Qchild, Early Hearing Detection and Information Management System
- Medical Aids Information System
- Infection Control Surveillance data (currently eICAT, migrating to MultiPrac)
- Queensland Cancer Registry
- Consumer Perceptions of Care
- Hospital and Health Care Services Activity Based Costing Collection
- Mental Health Activity Data Collection
- Financial and Residential Activity Collection
- Aggregated state level Consumer Perceptions of Care of metal health services data.

Further to this, the Queensland Needle and Syringe Program's Minimum Data Sets annual reports will be published on the Queensland Health website.

5.6 Establish, monitor and manage internal control processes that promote strong corporate governance and management of public funds.

Internal control and governance

The department has continued to maintain robust internal control and governance processes through:

- prioritised policy and strategy development in line with the *Blueprint for better healthcare in Queensland* and Commission of Audit recommendations
- monthly dashboard and project steering committee meetings to allow for adequate project monitoring to support the continuity of project governance structures
- maintenance of financial, procurement and human resources delegations to ensure they are devolved to the appropriate level to enable local accountability and decision making
- the review of the organisation structure to realign functional areas to increase workforce efficiency and productivity to achieve better service delivery
- general legislation compliance policy, standard and procedure
- annual general legislation compliance returns/reports.

A review of the legislation compliance policy framework was undertaken in 2013–14. The department now has a single combined general and portfolio legislation schedule which is updated quarterly. There is a delegated senior position for each Act identified within the schedule.

The policy, procedure and implementation standard clearly outlines the process to ensure compliance with general legislation is monitored, actual/potential breaches are risk-assessed and managed appropriately, and timely reporting occurs. Associated roles and responsibilities are articulated within the implementation standard.

An annual compliance report is provided to the Director-General at the end of each financial year.

Health service planning

The department again achieved *SAI Global ISO 9001:2008* re-certification for the functions and processes associated with health service planning.

Reviews of the Queensland Statewide Rehabilitation Medicine Services Plan 2008-12, Queensland Statewide Renal Health Services Plan and A Trauma Plan for Queensland were completed to establish the status of implementation of strategies and action identified in these plans.

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

Strengthening health services through optimising nursing strategy and action plan 2013-2016

The *Strengthening health services through optimising nursing strategy and action plan 2013–2016* was launched in February 2014. Aligned to the *Blueprint for better healthcare in Queensland*, the three-year strategy and action plan are designed to strengthen health services through optimising nursing.

The strategy and action plan address productivity, care and efficiency improvements in nursing services across Queensland by:

- empowering and enabling nurses to provide better access to care for patients
- providing better value for money
- delivering more sustainable healthcare models.

Registered nurses are prevented from practising to their full potential by a range of legislative, administrative, funding, policy, cultural and practice barriers. The strategy and action plan will enable nurses to work to their full scope of practice.

International evidence suggests that strengthening the nursing workforce leads to decreased length of stay in hospitals, improved clinical outcomes, reduced inpatient mortality, reduced wait times and better access to care, increased productivity and efficiency and reduced costs.

Key initiatives to be addressed across the life of the plan include:

- promoting the expansion of nurse-led clinics
- promoting new frameworks to enable nurse-led procedural services, such as nurse endoscopy
- embedding new education pathways and positions for nurse specialists and nurse practitioners
- progressing legislative amendments and working with the Australian Government Department of Health and Ageing to enhance nurse practitioner Medicare provisions
- ensuring appropriate professional governance arrangements support reform
- setting specific optimising targets and indicators to measure effectiveness of reforms and to improve quality
- challenging historical cultural barriers and debunking myths.

Ministerial Taskforce on health practitioner expanded scope of practice

The *Ministerial Taskforce on health practitioner expanded scope of practice final report* was launched on the 4 June 2014.

The key findings of the taskforce are:

- allied health professionals in Queensland public health services are often not working to their full scope of practice
- extended scope of practice could be implemented to improve access for patients
- delegation to support workers needs to occur to allow allied health professionals to work to full scope
- expanding scope of practice of allied health professionals could improve access for patients, provide efficiencies and address key performance indicators for the HHSs
- many barriers exist to the optimisation of full scope for allied health professionals including financial and regulatory barriers. To date some of these have been addressed including
  - amendment to the Health (Drugs and Poisons) Regulation 1996 to expand the authority of podiatrists to prescribe scheduled medicines
  - amendment to the Radiation Safety Regulation 2010 to authorise physiotherapists to request plain film diagnostic imaging
  - amendment to the Radiation Safety Regulation 2010 to extend the authority of podiatrists to request plain film diagnostic imaging to include the lower leg, knee, thigh and hip.

5.8 Enhance quality through ongoing innovation, teaching and research, and support for continuous learning.

Parechovirus

Parechovirus is a cause of neonatal and infant meningitis. In 2013–14, Pathology Queensland responded to a national epidemic of parechovirus and collaborated with the Queensland Paediatric Infectious Diseases Laboratory to develop a test for parechovirus.

Mental Health nurse credentialing

Funding was provided by the department to support an increase in Queensland mental health nurses gaining credentialed status from the Australian College of Mental Health Nurses. As a result of this work, more than 200 nurses have gained a mental health nurse credential.

Phase 1 of project finished in June 2014 and achieved the following outcomes:

- approximately 700 Queensland nurses participated in the project across eight demonstration sites
- approximately 400 suitably qualified mental health nurses applied for credential—the target was 325
- approximately 200 new credentials awarded to Queensland nurses by June 2014 and the college will progress the backlog of credential applications in 2014–15.

Queensland now has the highest number of credentialed mental health nurses in Australia—485 out of a total of 1304. This work will support and drive quality mental health nursing services across the state.

Workforce planning, re-design and innovation course

The department has developed a workforce planning, re-design and innovation course with Griffith University. This postgraduate integrated health planning course focuses on developing workforce planning capability with clear linkages to service, funding, capital and information system planning. The course can be delivered as a stand-alone program or contribute towards a postgraduate qualification in health services management.

The first course was delivered to 28 participants via online and face-to-face workshops in September 2013. The department plans to support the further development and availability of the course to employees in the future.

Health and medical research

The department maintains a database of research activity in Queensland Health. This database provides an information and educational tool for Queenslanders and promotes participation in research and collaboration between researchers.

An advanced reporting module was implemented on 21 November 2013 in the Australian Research Ethics Database to allow for improved data quality and self-monitoring at the HHS level.

Trauma response

In 2013-14, the Queensland Ambulance Service expanded the intensive care paramedic scope of practice for major trauma resuscitation.

A team of selected intensive care paramedics received enhanced training for the Queensland Ambulance Service Trauma Response Team. This team is available 24 hours-a-day for patients with severe critical injury, augmenting the advanced care and intensive care paramedic responses already provided. The team undertakes advanced clinical interventions aimed at early aggressive treatment followed by a rapid and seamless passage into the hospital trauma services.

The capabilities of these specialised paramedics include emergency anaesthesia, surgical procedures to the chest, and blood transfusion. Pre-hospital ultrasound is also used to identify internal bleeding requiring early surgical intervention, particularly in the abdominal or chest cavities. These skills allow the Trauma Response Team to provide a comprehensive assessment of the critically injured patient and to rapidly initiate treatment.

The innovative program has broad support across the receiving emergency departments and trauma services, and is assisted by Queensland Ambulance Service emergency physicians in professional development and quality assurance activities.

Clinical advances

In 2013-14, the Queensland Ambulance Service introduced a number of significant clinical advances in pre-hospital care, including non-invasive ventilation by intensive care paramedics.

This method is a safe and effective treatment for specific respiratory disorders and will be expanded to all advanced care paramedics (Level 2) statewide, beginning in the last quarter of 2014 as part of the rollout and training in the revised Queensland Ambulance Service clinical practice manual.

The Queensland Ambulance Service also introduced an additional antiplatelet medication option for patients being referred to an interventional cardiologist for primary percutaneous coronary intervention. The Queensland Ambulance Service now has two antiplatelet options available for use depending on the specific clinical needs of the patient.

Further enhancements to clinical practice for all paramedics include the introduction of the CT-6 traction splint, an improved major haemorrhage treatment/intervention with built-in tourniquet function, and the CombiCarrier II stretcher.

Assessment and treatment capabilities of first responders were improved in 2013–14 with the introduction of pulse oximetry and glucometry.

Graduate Paramedic Induction program

The Queensland Ambulance Service Graduate Paramedic Induction program aims to:

- provide a practical foundation program preparing university graduates for operational duties as advanced care paramedics
- provide orientation and induction for paramedics from interstate and international jurisdictions.

The program is run through the School of Ambulance and Paramedic Studies with 283 participants enrolled in the program in 2013–14.

The Graduate Paramedic Induction program is underpinned by the Council of Ambulance Authorities Paramedic Professional Competency Standards Version 2.

Queensland Ambulance Service education—registered training organisation

The Queensland Ambulance Service is a registered training organisation that delivers nationally recognised training and qualifications. Current vocational education programs focus on the Certificate III and IV in Ambulance Communications. The Diploma of Paramedical Science (Ambulance) is in a final teach-out phase with the Queensland Ambulance Service recruiting university graduates for entry-level paramedic employment.

The current registered training organisation registration extends to 3 February 2017 with a scope of six qualifications and eight individual units of competency. A project is underway to re-register the registered training organisation under the new legal entity of Department of Health (Queensland Ambulance Service).

Leadership and renewal

In 2013-14, the Queensland Ambulance Service began the Classified Officer Development program.

The flexible six-month program focusses on developing the leadership skills and knowledge required for classified officers such as officer in charge positions to be well equipped, prepared and confident to deal with the challenges of their roles. The program aims to build the confidence and leadership capabilities of these officers to better deliver frontline health services to the Queensland community. In 2013–14, 129 officers attended a program residential. A further eight residential components of the program have been planned for 2014–15.

Emergency management workshops, generally held following the program residentials, are a practice module to assist senior managers and operational personnel to be conversant with the Queensland disaster management arrangements, emergency management governance, multi-agency inter-operability around incident management systems and divisionally relevant capability in Queensland Ambulance Service operations regarding planning, preparedness, response and recovery in major incidents or disaster events. In 2013–14, 197 officers attended an emergency management workshop. A further four courses have been scheduled for the first half of 2014–15.

Both modules are run through the School of Ambulance and Paramedic Studies.

Key actions to progress these strategies

Redesign the health complaints system and introduce legislation to improve the response to allegations of medical malpractice.

The Office of the Health Ombudsman was established to improve the health complaints management system after reviews by Mr Richard Chesterman AO RFD QC, Dr Kim Forrester and Mr Jeffrey Hunter SC. These reviews raised concerns about the existing complaints management system, including the key finding that up to 60 per cent of complaints were not handled in a timely or satisfactory manner.

Key actions in 2013–14:

- Establishment of the *Health Ombudsman Act 2013* on 29 August 2013, and of the Office of the Health Ombudsman as a Queensland statutory body on 17 February 2014.
- Appointment of Mr Leon Atikinson-MacEwen as the first Health Ombudsman on 19 December 2013 to lead the establishment, including finalisation of an office location, recruitment of staff, and the development of operational systems and processes.
- Consultation with the Australian Health Workforce Ministerial Council, Australian Health Practitioner Registration Agency and 14 National Health Practitioner Registration Boards in relation to the amount of the fees payable by Queensland health practitioner registrants to be paid to the Health Ombudsman from in 2014–15 (pursuant with Section 26 A of the *Health Practitioner Regulation National Law Act 2009*).
- Collaboration with the Health Quality Complaints Commission to facilitate closure on 30 June 2014, including a targeted transition process for staff.

Increase the number of hospitals reporting on their activity and performance on the Queensland Health website.

The number of hospitals reporting on their activity and performance on the Queensland Health website increased from 38 to 60. Development of the website has continued to include information regarding more service areas and expanded information about HHSs.

In addition, to provide the community with greater detail about public dental waiting lists, the number of people on the waiting list for every public dental clinic, how long people have been waiting, and the number of patients who recently began dental care continues to be published on the Queensland Health website.

Continue the investigation of the health payroll system through the Commission of Inquiry, led by the Honourable Richard Chesterman QC.

The Commission of Inquiry into the implementation of the Queensland Health payroll system began on 1 February 2013.

Following submissions and extensive public hearings the Commissioner's report was provided to the government on 31 July 2013 and the Queensland Government's response to the report was tabled in Parliament on 20 August 2013.

The department supported implementation of the report's recommendations by establishing a Queensland Health Payroll Planning Group to oversee detailed planning for the replacement of the Queensland Health payroll system.

Systematically review the administrative burden of legislation and regulation, forms and process, and compliance and enforcement activities, with a view to a reduction in requirements where it is efficient and safe to do so.

In 2013-14, the department rescinded the following asset and infrastructure related policy documentation:

- Asset Management Health Service Directive
- Business Classification Scheme Health Service Directive
- Data Collection and Provision of Data to the Chief Executive Health Service Directive
- Signage Policy—Capital Works Projects
- Car Park Infrastructure Planning Policy
- Car Park Planning Implementation Standard
- Car Park Planning Procedure
- Ecologically Sustainable Queensland Health Facilities Policy—Transport Implementation Standard
- Transport Implementation Standard
- Radiation Oncology Infrastructure Planning and Design Implementation Standard

- Wayfinding Implementation Standard
- Food and Nutrition Policy
- Foodservices Infrastructure Planning and Design Implementation Standard
- Planning and Designing Sterilising Services Infrastructure Implementation Standard
- Water Efficiency and Conservation Policy.

In addition, a major stocktake and review of 68 health service directive documents was undertaken to reconsider the necessity for, and prescriptiveness of, health service directives while ensuring that directives remain in place where required to support the public health system.

As a result, 32 health service directive documents were rescinded during 2013–14. A final phase of the review process was scheduled for completion during June 2014.

The Queensland Government has set a target to reduce the burden of regulation by 20 per cent by 2018.

In line with the Queensland Government's regulatory reform agenda, the department monitored and provided regular reports on changes to the portfolio's primary, subordinate and quasi regulation, as requested by Queensland Treasury and Trade and the Office of Best Practice Regulation.

The reduction in regulatory burden is measured a number of ways, including a count of the number of regulatory obligations and requirements in regulatory instruments.

At 1 January 2014, the Office of Best Practice Regulation estimated the department had achieved a decrease of 3.6 per cent in the regulatory reduction target with a 957 net reduction in the department's requirements count. An action plan and regulatory reform work program is in place to prioritise and drive the medium and long-term regulatory reform required to contribute to the department's reduction targets.

Prioritise policy and strategy development in line with the *Blueprint for better healthcare in Queensland* and Queensland Government response to the Commission of Audit report (e.g. outpatients, primary healthcare)

The Queensland Commission of Audit was established in 2012 to review the Queensland Government's financial position.

The Commission of Audit recommended a progressive transfer of ownership and operation of residential aged care facilities to the non-government sector having regard to local circumstances. The department has supported HHSs to review their involvement in the provision of aged care services in line with the recommendation.

The department continues to support staff to undertake the Griffith University Graduate Certificate in Policy Analysis through funded scholarships.

Establish a healthcare innovation fund to support innovation.

The department established the Health Innovation Fund to support improvement in service delivery and patient care by providing grants for one to three years for innovative proposals with the potential for statewide application. Priority areas are set on an annual basis. In 2013–14 the priority areas were:

- chronic disease management to address the burden of disease
- improving access to health services for rural and remote Queenslanders
- expansion of acute hospital substitution models
- reducing waiting times for emergency department, outpatient and/or elective surgical services.

All HHSs were invited and encouraged to submit applications for funding to support and drive forward new ideas and accelerate adoption and diffusion across Queensland Health with the potential to have a large impact on how services are delivered.

An expert advisory panel received 66 applications and shortlisted 12 applicants to proceed with face-to-face interviews with the Clinical Redesign and Innovation Board. Of the 12 shortlisted applicants, eight projects were approved across the state with an investment of approximately $5.2 million to date.

Strategic objective 6 —partnerships and engagement

Foster a high quality health system through positive engagement and cooperation with our workforce and health system partners.

Strategies

6.1 Provide employee development that enhances capability and fosters high quality leadership and management.

6.2 Provide clear and equitable human resources and workplace health and safety policies and systems that promote, build and maintain a positive and safe workplace culture within the Department of Health and HHSs, based on valuing and supporting staff.

6.3 Support workforce redesign and modelling to enable HHSs to grow efficient and effective models of patient-centred care.

6.4 Facilitate the statutory compliance of HHSs and other statutory agencies, and the development of Hospital and Health Boards' capacity to assume responsibility for both the employment of staff and the ownership of land and facilities.

6.5 Develop strategic partnerships with private providers to make more efficient use of resources and capacity across public and private sectors, and ensure value for money in the provision of health services (links to strategic objective 4—value for money).

6.6 Support clinical innovation, engagement, networking and leadership within and across service providers.

6.7 Develop strategic partnerships within and across all levels of government to ensure awareness of and influence around state and national health priorities.

Key actions to progress these strategies

- Develop a leadership succession and organisation development framework for the Department of Health.
- Simplify the employment and award arrangements for health staff that ensure alignment of performance with organisational operations.
- Remove organisational barriers for workforce redesign and redistribution.
- Support clinician-led networks including the Clinical Senate and statewide clinical networks.
- Streamline workforce awards and agreements to facilitate local decision-making.
- Participation in inter-jurisdictional committees and forums.

Key performance indicators for strategic objective 6

- Percentage of agreed red tape reduction initiatives on track for delivery.

6.1 Provide employee development that enhances capability and fosters high quality leadership and management.

Leadership development strategy

In 2013–14, implementation of a department-wide leadership development strategy was approved. This two and a half-year strategy will target management and leadership capability at all levels of the organisation, from supervisors to executives.

The strategy focuses on four key priority areas that are relevant to achieving the department's goals:

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

Graduate Certificate in Policy Analysis

The department continues to support staff to undertake the Griffith University Graduate Certificate in Policy Analysis through funded scholarships. Seven staff from across the department are undertaking the course in 2014 at a total cost of $65,240.

Clinician leadership and development programs

The department provides a range of leadership and business development programs to assist staff to develop their capability to lead organisational improvement initiatives and innovation. During 2013–14, a total of 11 leadership programs were delivered to 268 clinical staff including:

- Medical Leadership in Action Program—2 programs, 56 participants
- Emerging Clinical Leaders Program—1 program, 28 participants
- Step Up for Registrars Program—5 programs, 103 participants
- Clinician Business Development Program—3 programs, 81 participants.

The program evaluation results indicate that clinicians who have undertaken these programs have made significant improvements in their ability to facilitate change and lead and manage high performing clinical teams. Through their improvement projects, program participants also reported improved efficiency of patient throughput, reduced delays, improved protocols and models of care, improved key clinical indicators, better workload management and enhanced team based patient focussed care.

6.2 Provide clear and equitable human resources and workplace health and safety policies and systems that promote, build and maintain a positive and safe workplace culture within the Department of Health and HHSs, based on valuing and supporting staff.

Review of human resource policies

The department has undertaken a review of all human resource policies to simplify and remove unnecessary prescription while still maintaining employment conditions. In 2013–14, 106 human resource policies were reviewed and republished, with a further 62 repealed. In addition, 33 human resource policies were reviewed for application to the Queensland Ambulance Service and work is continuing to review human resource policies and procedures within Queensland Ambulance Service to integrate these arrangements into the department's framework where appropriate.

Industrial relations reforms

Queensland Health embarked upon a number of industrial relations reforms to deliver simpler, easy-to-understand employment arrangements that will underpin ongoing improvements in patient care and ensure a sustainable public hospital system for the future.

Queensland Health industrial awards are being modernised under the supervision of the Queensland Industrial Relations Commission to ensure basic employment arrangements are both simpler to understand and more closely aligned with broader community standards.

Further simplification of employment arrangements within certified agreements are being driven through enterprise bargaining, ensuring the department achieves the right balance between fair conditions for our employees, enhanced local decision-making and value for Queenslanders.

iLearn@QHealth—Learning management system

iLearn@QHealth provides online education modules and resources to support a highly skilled capable and sustainable workforce.

In 2013–14, the Ethics, Integrity and Accountability education module was released, covering the mandatory training requirements for code of conduct and ethical decision making including an overview of fraud awareness, misconduct and public interest disclosure. This new course has created a substantial growth in users of the learning management system with more than 39,000 users. Other clinical education modules were also developed and released online.

6.3 Support workforce redesign and modelling to enable HHSs to grow efficient and effective models of patient-centred care.

Rural registered nurse graduate employment model

A funding investment of $2.3 million across 2013–14 supported the placement and transition of 230 registered nurse graduates:

- $1.2 million was provided for 120 graduates (cohort 2) entering phase 1 of the project (placement)
- $1.1 million was provided to 110 graduates (cohort 1) who have finished phase 1 of the project and are entering into phase 2 (specialisation pathways).

A key strategy in maintaining the capacity of health services in rural and remote communities is ensuring the sustainability of the nursing and midwifery workforce. Approximately one-third of registered nurses delivering frontline services in rural and remote areas are aged 55 years and older and are likely to retire within the next 5–10 years. To offset this expected retirement peak, the employment of registered nurse graduates into priority rural and remote areas was prioritised to ensure ongoing quality and accessible care for these communities.

The model seeks to support enhanced succession planning for the nursing workforce through development of a graduate career pathway into rural practice, as well as to reduce external nursing costs in rural facilities.

The funding to participating HHSs enabled clinical up-skilling of graduates into rural practice, enhanced supervision and mentorship, workforce participation in rural practice settings and enrolment into post graduate specialisation aligned to local service priorities.

Rural and Private Midwifery Education project

The Rural and Private Midwifery Education project has been developed to progress a cohort of up to 50 newly registered nurses who have been unsuccessful in gaining employment and have registered interest in working with women and in rural areas to gain a midwifery qualification.

The project is a public private partnership supporting nurses to gain the bulk of their midwifery skills through their experience within continuity of care models based with privately practicing midwives or rural health services. A shared governance of the project will exist between the education providers, HHSs and the department through the Nursing and Midwifery Office Queensland.

Key components of the project:

- student placement within a private midwifery group practice or rural continuity of care service
- students have access to clinical learning across all areas of practice including community and hospital-based work to have the experience and confidence to practice as midwives in contemporary midwifery-led continuity of care maternity service models
- students will have placements in rural maternity services, Aboriginal medical services, special care nursery and delivery suite to meet curriculum requirements and align clinical exposure across a suite of relevant maternity care settings.

The first cohort of 25 students began their study in July 2013 with Griffith University and the second cohort of 25 students began their study in February 2014 with Central Queensland University. Both cohorts are eligible to apply for registration as midwives in June 2015.

Building a sustainable workforce for rural and remote sites

Participation in the Australian Government-funded Voluntary Dental Graduate Year Program and the Oral Health Therapist Graduate Year Program provides opportunities for graduates to be placed in rural and remote locations with planned and appropriate support and skills development opportunities. Queensland currently has 10 dentists and 10 oral health therapists placed within HHSs under this program.

6.4 Facilitate the statutory compliance of HHSs and other statutory agencies, and the development of Hospital and Health Boards' capacity to assume responsibility for both the employment of staff and the ownership of land and facilities.

Land and Buildings Transfer project

The department has actively managed the transfer of legal ownership of land and building assets to HHSs. The Land and Buildings Transfer project includes the development of a framework to ensure capacity and capability of HHSs to sustain ongoing strategic management of land and building assets.

From 30 June 2013, changes to the *Hospital and Health Boards Act 2011* enabled land and buildings to be transferred from the department to and between HHSs by way of a transfer notice made by the Minister for Health and published in the Government Gazette.

The use of a transfer notice enables:

- transfers to be undertaken efficiently, particularly where large numbers of properties are involved
- the Minister for Health to direct the transfer of land and buildings within the health portfolio in accordance with Queensland Government initiatives such as the *Blueprint for better healthcare in Queensland*
- land and buildings to be transferred as future circumstances may warrant, such as on the completion of capital works.

The transfer of land and buildings by way of a transfer notice aligns with the *Blueprint for better healthcare in Queensland* by improving the management of infrastructure and assets across the health portfolio.

Prescribed leases for Hospital and Health Services

The Hospital and Health Boards Amendment Regulation 2014 was made under the *Hospital and Health Boards Act 2011* to prescribe types of leases that can be approved by HHSs without prior written consent of the Minister for Health and the Treasurer.

The Regulation enables HHSs to fast-track approval processes for low value expenditure leases which will provide greater autonomy to HHSs and streamline processes.

Prescribed employer status for Hospital and Health Services

The *Hospital and Health Boards Act 2011* provides for the Director-General to be responsible for statewide employment and industrial relations. This will ensure equitable pay and conditions for the health workforce and support the seamless mobility of the health workforce in Queensland.

HHSs were provided with an opportunity to make a submission to the Minister for Health demonstrating their capacity and capability to be prescribed as an employer. Eight HHSs made a submission and were assessed against agreed criteria as having the required capacity and capability to be the employer from 1 July 2014. This is a key milestone in transforming our health system by providing increased local decision making and accountability for HHSs. Those HHSs prescribed as employers now have more autonomy, workforce flexibility and a greater ability to respond to the health needs of the local community.

Employment terms and conditions, including pay, superannuation and fringe benefits tax, will be unchanged. The Director-General will remain responsible for setting terms and conditions of employment, including remuneration and classification structures, and for negotiating enterprise agreements. The remaining eight HHSs will become prescribed as an employer effective 1 July 2015, following an assessment of their capacity and capability. The department will support these HHSs in their readiness to become the employer. During 2013–14, the Director-General also progressively increased the number of human resource delegations to HHSs. Twelve HHSs applied for, and were granted, delegations to administer more complex human resources issues.

6.5 Develop strategic partnerships with private providers to make more efficient use of resources and capacity across public and private sectors, and ensure value for money in the provision of health services (links to strategic objective 4—value for money).

Ministerial Health Infrastructure Advisory Council

Through the establishment of the Ministerial Health Infrastructure Advisory Council on 17 December 2013 (constituted mostly of private sector members),

a Health Infrastructure Partnership Framework will provide a structure to facilitate engagement with the private sector. This will enable opportunities for the submission of innovative infrastructure solutions to meet current and future health service needs in Queensland.

Partnering to improve public dental services

Provision of funding under the National Partnership Agreement on Treating More Public Dental Patients has allowed HHS oral health services to further expand partnerships with private dental providers. During 2013–14, more than $33 million in private dental treatment was provided to eligible patients, including around 47,000 emergency courses of care, 26,000 patients requiring general dental care and 2900 patients requiring dentures.

This has resulted in the number of long-wait dental patients being reduced to zero.

6.6 Support clinical innovation, engagement, networking and leadership within and across service providers.

Personally Controlled Electronic Health Record

In November 2013, the department connected with the Personally Controlled Electronic Health Record (PCEHR) system. This initial connection to the system has enabled clinicians to view and send discharge summaries to a consumer's PCEHR.

The integration with the system has ensured clinicians are able to view all accessible information on a consumer, such as allergies and medications, allowing them to make more informed decisions about a consumer's healthcare. On discharge, the consumer's discharge summary can be sent to their PCEHR, in addition to the current processes of sending discharge summaries direct to their nominated clinician. This enables access by any treating clinician—with the appropriate permissions—in Australia.

Directors of Medical Services Advisory Committee

The Directors of Medical Services Advisory Committee supports the department's Executive Management Team by providing a point of reference on issues related to medical workforce, clinical governance and patient safety.

Members of the committee include:

- directors of medical services from hospitals across the state
- Patient Safety Unit
- Pathology Queensland
- Office of Rural and Remote Health (Cairns)
- Rural and Remote Medical Support Services.

Meetings are held monthly. Agenda items discussed in 2013–14 included:

- eHealth
- safety and quality standards
- credentialing and scope of clinical practice
- senior medical officer contracts
- intern and resident medical officer recruitment.

Queensland Medical Schools Liaison Committee

The Queensland Medical Schools Liaison Committee provides connection and consistency across university medical schools, student associations and HHSs to ensure medical students are appropriately trained, skilled and supported to enter the health system. The committee, which meets quarterly, provides expert advice on matters arising from the increasing number of medical graduates entering the health system and the challenges of ensuring quality educational opportunities and assistance with the transition of medical students to internship.

Members of the committee include representatives from the University of Queensland, James Cook University, Griffith University, Bond University, chief executives and medical superintendents from the larger intern-accredited hospitals across Queensland, and a representative from the Queensland Medical Students Association.

Queensland Nursing and Midwifery Executive Council

In February 2014, the inaugural meeting of the Queensland Nursing and Midwifery Executive Council was held. The council was established to provide high-level advice and recommendations regarding nursing and midwifery services to support delivery of health priorities.

The council includes representation from executive-level nursing and midwifery positions from a broad range of clinical service providers, including HHSs, private and non-government sectors, and universities.

Key strategic priorities for the council include:

- maintaining full scope of nursing and midwifery practice across the state and avoiding reductionist processes
- use of data and information for improving health services across Queensland through nursing and midwifery
- building capacity and sustainability in the nursing and midwifery profession.

Safe transport of people with a mental illness

The department and the Queensland Ambulance Service have undertaken significant collaborative work with the Queensland Police Service to develop a statewide interagency agreement regarding safe transport of people with a mental illness, including those under the *Mental Health Act 2000*.

Queensland currently faces a number of significant challenges in ensuring the safe transportation of people with a mental illness. Of particular importance is the need for consistent decision making pathways and communication processes between agencies. In rural and remote areas, transport issues are further complicated by large travel distances and limited resource availability across agencies.

The statewide agreement clarifies each agency's role and responsibilities and provides a framework for the development and review of local agreements and protocols to support interagency collaboration in ensuring safe transport of people with a mental illness.

Mental Health Alcohol and Other Drugs Clinical Network

The Mental Health Alcohol and Other Drugs Clinical Network was established in May 2013 and provides statewide governance for the provision of safe and quality mental health, and alcohol and other drugs services. The clinician-led network provides opportunities for enhancements to, and innovation in, the delivery of efficient, evidence-informed models of care to meet the needs of consumers, carers and the community.

In its first year of operation, the network met six times with a focus on improving health care performance through clinician, consumer and carer engagement.

In August 2013, the network outlined seven priorities:

- a focus on consumers and carers
- development of statewide models of service
- enhancement of clinical documentation
- the use of key performance indicators
- integration of alcohol and other drugs and mental health services
- strengthening child and youth services
- communication.

In October 2013, the network endorsed the Mental Health Alcohol and Other Drugs Performance Framework and associated set of indicators intended to monitor and improve performance across a range of service delivery domains including safety, accessibility and clinical outcomes.

The network continues to regularly review performance with a particular focus on patient journey, seclusion and consumer outcomes. The network also endorsed the terms of reference and work plan for the mental health clinical collaborative focusing on enhancing the physical health of people with mental illness and the alcohol and other drugs service improvement group aimed at enhancing clinical services across the alcohol and other drugs sector.

The network also provided mental health and alcohol and other drugs expertise into the Clinical Services Capability Framework Functional Assessment Project, review of the Primary Clinical Care Manual, the Chronic Disease Guidelines Manual and the review of the *Mental Health Act 2000*.

Network members were regularly informed and provided the opportunity to have input into the business of the Queensland Clinical Senate and the National Safety and Quality Partnership Standing Committee.

Leadership and management development programs

The department provides a range of innovative leadership and management development programs for clinical staff. The programs are designed to build the leadership confidence and capabilities, and business and service improvement skills of clinicians.

Paramedical science clinical placements

The Queensland Ambulance Service currently has partnership agreements with five Queensland universities (Australian Catholic University, Central Queensland University, Queensland University of Technology, University of Queensland and University of Southern Queensland) to provide clinical placements to students undertaking degrees in paramedical science and double degrees in paramedical science and nursing.

6.7 Develop strategic partnerships within and across all levels of government to ensure awareness of and influence around state and national health priorities.

National eHealth Strategy

The department actively participated in the refresh of the National eHealth Strategy and the development of the National eHealth Business Case. The department has ensured priorities put forward in the business case and strategy meet the needs of Queensland clinicians and consumers to provide Queenslanders with value in health services.

The department engaged with the Australian Government, the National E-Health Transition Authority and other states and territories to put forward Queensland's requirements during the finalisation of specification and standards for the PCEHR to ensure they were fit-for-purpose. The department chaired the Rapid Integration to the PCEHR Steering Committee, which oversaw the jurisdictional implementations for the PCEHR and collaboration of national communications services, and has been leveraged by six jurisdictions to date.

Joint action plan to transition long-stay younger people with a disability

The department, along with the Department of Communities, Child Safety and Disability Services and the Department of Public Works and Housing endorsed a joint action plan to transition long-stay younger people with a disability from Queensland public health facilities.

The plan commits partners to work collaboratively to deliver a coordinated and consistent approach to the assessment and transition planning for this cohort and outlines the required actions to transition younger people with disability from health settings to appropriate accommodation in the community over a five year period.

Key actions to progress these strategies

Develop a leadership succession and organisation development framework for the Department of Health.

Implementation of a department-wide leadership development strategy began in April 2014. Performance and development planning workshops were held for supervisors to equip them with the necessary knowledge and skills to conduct effective performance discussions with staff. At 30 June 2014, 493 supervisors had attended this training.

As a part of the strategy, a mentoring program was developed and delivered for staff in System Support Services. This program aimed to transfer knowledge and leadership capability from successful senior executives to aspiring leaders within the division.

In March and April 2014, the first two cohorts of the mentoring program began work with their respective mentors. The success of the program was evaluated in August 2014. The outcomes will inform the design and development of a department-wide mentoring program scheduled for roll-out in the second half of 2014.

Simplify the employment and award arrangements for health staff that ensure alignment of performance with organisational operations.

Industrial awards are being modernised under the supervision of the Queensland Industrial Relations Commission to ensure basic employment arrangements are both simpler to understand and more closely aligned with broader community standards.

Remove organisational barriers for workforce redesign and redistribution.

Amendments were made to the Health (Drugs and Poisons) Regulation 1996 to authorise podiatrists in Queensland to be able to prescribe, in line with their scope of practice, and to the Radiation Safety Regulation 2010 to reflect full scope of practice for physiotherapists and podiatrists in Queensland.

The department established a business reference group to support the integration with the PCEHR system and to ensure that it met the needs of clinicians. The group provided independent advice on the clinical and business impacts the integration with the PCEHR system would have to the clinical workflow, ensuring it was fit-for-purpose and the functionality would meet the needs of the clinicians and the department. Membership of the group included representatives from all HHSs (both clinical and business).

Support clinician-led networks including the Queensland Clinical Senate and statewide clinical networks.

During 2013–14, the Queensland Clinical Senate continued to play a key role in safeguarding high standards of patient care and ensuring continuous clinical practice improvement across Queensland. The 13th meeting of the Queensland Clinical Senate was held on 27–28 March 2014 and was attended by more than 120 members and guests.

Similarly, the 18 statewide clinical networks continued to deliver on work plans to support the department on clinical issues. Numerous networking opportunities ensured that clinicians provided expertise and advice in a collaborative and supportive environment. All networks have a goal of improving the quality, safety and effectiveness of care in Queensland.

Participation in inter-jurisdictional committees and forums.

The department participated in a range of inter-jurisdictional committees and forums during 2013–14.

To progress the national eHealth agenda, the department has participated on a number of inter-jurisdictional committees and forums including:

- E-Health Working Group—time-limited working group to facilitate collaboration between the Australian Government, states and territories in relation national eHealth initiatives
- Healthcare Identifiers National Authentication Service for Health Consultation Group—consists of stakeholders from the public and private sectors to provide the National E-Health Transition Authority with advice, support and recommendations in regards to the development and enhancement of the Healthcare Identifiers Service and National Authentication Service
- National Health Chief Information Officers Forum—assists in the development and implementation of the National eHealth Strategy and facilitates collaboration between the Australian Government, states and territories to implement the strategy
- National Health Information Regulatory Framework Working Group—provides advice on national policy and legislative frameworks to support the national eHealth initiatives
- National Health Services Directory Advisory Committee—provides overarching guidance for the National Health Services Directory
- PCEHR Jurisdictional Advisory Committee—provides strategic advice on policy outcomes and business benefits across in relation to the PCEHR system.

The department also participated in the Torres Strait Cross Border Health Issues Committee, a sub-committee of the Joint Advisory Council on the Torres Strait Treaty.

The Chief Health Officer participated in the Jurisdictional Blood Committee and the Jurisdictional Advisory Group for organ and tissue donation and transplantation.

The Health Infrastructure Branch participates in the Australasian Health Infrastructure Alliance, a subcommittee of the Australian Health Minister's Advisory Council. The alliance is comprised of all health jurisdictions in Australia and New Zealand, which collaborate to share information and learnings. The committee also manages and updates the Australasian Health Facility Guidelines which is now referenced in many countries.

The department also provided a secretariat for the Health Policy Advisory Committee on Technology which is the national committee for the horizon scanning of new and emerging health technologies. The committee is comprised of nominees from the Australian Government and each the states and territories, the New Zealand National Health Committee and other clinical advisors. It was established to provide advance notice of significant new and emerging technologies to health departments in Australia and New Zealand to exchange information on and evaluate the potential impact of emerging technologies on their respective health systems. The committee reports to the Hospitals Principal Committee, a sub-committee of the Australian Health Ministers' Advisory Council.

The Health Statistics Unit represents the department on a number of inter-jurisdictional committees:

- Australian Hospital Statistics Advisory Committee
- Clinical Quality Registries Advisory Committee
- Health Working Group—Report on Government Services
- National Health Information Standards and Statistics Committee
- National Maternity Data Development Project
- National Perinatal Data Development Committee
- National Health Information and Performance Principal Committee
- Standing Committee on Performance Reporting
- Private Hospital Statistics Advisory Committee.

The Australian Commission on Safety and Quality in Health Care inter-jurisdictional committee of key jurisdictional executives whose role it is to discuss and report on key patient safety and quality issues.

The department, through the Clinician Planning and Leadership Unit, is an active participant in the national workforce agenda which includes provision of policy advice and the sharing of innovative programs nationally on the following:

- Practitioner Regulation Sub-Committee—This committee meets as a working group to provide policy advice on workforce issues and innovation for the Health Workforce Principal Committee.
- Health Workforce Principal Committee—This is a principal policy committee of the Australian Health Ministers Advisory Council (AHMAC) specialising in providing policy advice to AHMAC. Participants are Executive Directors (and equivalent) from all jurisdictions.
- Australian Health Ministers Advisory Council—This committee meets quarterly to review high level workforce initiatives and issues to Health Ministers, and membership is comprised of CEO level executives.
- Standing Council on Health (SCoH)—This committee meets quarterly to review advice provided by AHMAC in relation to all health matters including workforce.
- SCoH meets quarterly as the Australian Health Workforce Ministerial Council (AHWMC) to provide Ministerial approval to specific issues in relation to health workforce.
- SCoH and the AHWMC also provide advice to, and receive direction from, the Council of Australian Governments.

The department, through the Clinician Planning and Leadership Unit, is also involved in a range of statewide education and training committees including the:

- Queensland Clinical Education and Training Council
- Northern Queensland Regional Training Network
- Southern Queensland Regional Training Network
- Greater Northern Australia Regional Training Network.

These committees support and strengthen systems and processes between higher education and government and non-government sectors, build upon current relationships between higher education and healthcare providers across the continuum of care, and promote access to clinical training placements opportunities at a local and regional level.

The Queensland Ambulance Service is an active participant in the National Emergency Communications Working Group Australia and New Zealand. The working group provides an Australia and New Zealand representative forum to deal with emergency communications call and response issues. This includes the development of national positions on matters relating to the Emergency Call Service, and Emergency Service Organisations operational communications response to those emergency Triple Zero (000) calls. The working group contributes to the promotion of the Emergency Call Service within Australia to ensure the overall effectiveness of the Triple Zero (000) service. The working group is looking at Next Generation Triple Zero (000) taking into account emerging technologies and the potential impact of developments in telecommunications on the delivery of the Triple Zero (000) service to maximise its operational value to the community.

Service delivery statements

Table 15: Department of Health performance statement

	Notes	2013–14 target/est.	2013–14 actual
Service area: Performance and governance			
Service standards			
Percentage of Hospital and Health Services improving or maintaining their performance category	1	100%	100%
Service area: Corporate support services			
Service standards			
Percentage of capital infrastructure projects delivered on budget and within time and scope within a 5% unfavourable tolerance	2	95%	98%
Service area: Safety, quality and clinical support			
Service standards			
Percentage of Hospital and Health Services participating in statewide clinical networks		100%	100%
Percentage of formal reviews undertaken on Hospital and Health Service responses to significant negative variance in variable life adjusted displays (VLAD) and other national safety and quality indicators	3	100%	100%
Service area: Human resources			
Service standards			
Percentage of correct, on time pays	4	New measure	96.9%
Service area: Health Services Support Agency—safety, quality and clinical support			
Service standards			
Percentage of calls to 13 HEALTH (13 43 25 84) answered within 20 seconds	5	80%	84.8%
Service area: Health Services Information Agency—health information technology			
Service standards			
Percentage of ICT availability for major enterprise applications:			
• metro		99.8%	99.9%
• regional		95.7%	99.9%
• remote	6	92%	99.6%
Percentage of all high level ICT incidents resolved within targets defined in the service catalogue	7	80%	91%
Percentage of initiatives with a status reported as critical (red)	8	< 20%	0.8%

Notes:

1. Under the HHS performance framework, each HHS is assigned a performance category. The performance category is a measure of a HHS's performance against the Tier One key performance indicators in the service agreements. The HHS performance management framework includes the criteria assigned to each performance category and the performance required for a HHS to move to another performance category.
2. The phrasing of this service standard has been modified. Quality has been removed as a component of the service standard due to its subjective nature. The revised measure is provided through a calculation which uses three components (budget, time and scope) which gives a truer reflection of actual performance. The three components are weighted equally.
3. Only lower level three VLAD flags were reviewed and, due to the time lag in provision of the VLAD data, the review period was 1 April 2013 to 31 March 2014. 100% of lower level three flags had formal reviews undertaken.
4. The 2013–14 actual data 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.
5. The 2013–14 target/est. was set at 80% of calls answered within 20 seconds as this is internationally recognised as a suitable target/grade of service for health contact centres.
6. This service standard measures continuity and availability of ICT services via the wide area network.
7. This service standard measures ICT priority 1 and 2 incidents resolved within recommended timeframes.
8. This measure relates to all new initiatives and initiatives that are not yet fully operational. The 2013–14 actual figure of 0.8% is based on actual reported critical (red) status for July 2013 to June 2014. The Health Services Information Agency ICT Portfolio Office continues to monitor and report on performance status on a monthly basis to the Queensland Health ICT Portfolio Board.

Table 16: Queensland Health performance statement

	Notes	2013–14 target/est.	2013–14 actual
Service area: Prevention, promotion and protection			
Service standards			
Percentage of the Queensland population who consume recommended amounts of:			
• fruits		56.1%	58.3%
• vegetables		9.7%	10.3%
Percentage of the Queensland population who engaged in levels of physical activity for health benefit:			
• persons		63.0%	59.5%
• male		68.2%	61.3%
• female		57.7%	57.8%
Percentage of the Queensland population who are overweight or obese:			
• persons		59.1%	57.8%
• male		66.2%	63.3%
• female		52.2%	52.4%
Percentage of the Queensland population who consume alcohol at risky and high risk levels:			
• persons		11.4%	10.2%
• male		13.1%	11.4%
• female		9.8%	9.0%
Percentage of the Queensland population who smoke daily:			
• persons		12.5%	14.0%
• male		13.7%	16.2%
• female		11.3%	11.8%
Percentage of the Queensland population who were sunburnt in the last 12 months:			
• persons		52.7%	54.3%
•male		57.2%	57.4%
• female		48.3%	51.4%
Annual notification rate of HIV infection	1	5.0%	4.0%
Number of rapid HIV tests performed	2	6,000	1,359
Vaccination rates at designated milestones for:			
• all children 12–15 months		92%	91.2%
• all children 24–27 months		92%	93.2%
• all children 60–63 months		92%	92.3%
Percentage of target population screened for:			
• breast cancer		57.6%	57.5%
• cervical cancer		55.3%	55.8%
• bowel cancer	3, 4	38.0%	33.9%
Percentage of invasive cancers detected through BreastScreen Queensland that are small (<15mm) in diameter	5	60.0%	55.4%
Rate of healthcare associated *Staphylococcus aureus* (including MRSA) bloodstream (SAB) infections/10,000 acute public hospital patient days	6	0.9	1.0
State contribution ($000)		306,638	427,397
Other revenue ($000)		270,343	611,477
Total cost ($000)		576,981	1,038,874

	Notes	2013–14 target/est.	2013–14 actual
Service area: Primary healthcare			
Service standards			
Ratio of potentially preventable hospitalisations—rate of Aboriginal and Torres Strait Islander hospitalisations to rate of non-Aboriginal and Torres Strait Islander hospitalisations	7	1.7	1.8
Percentage of women who, during their pregnancy were smoking after 20 weeks:			
• non-Aboriginal and Torres Strait Islander women		10.1%	9.4%
• Aboriginal and Torres Strait Islander women	8	39.4%	41.2%
Number of in-home visits, families with newborns (in accordance with the Mums and Bubs commitment)	9	75,827	70,178
Number of adult oral health weighted occasions of service (ages 16+)	10	2,400,000	2,712,386
Number of children and adolescent oral health weighted occasions of service (0–15 years)	10	1,300,000	1,349,817
Percentage of public general dental care patients waiting within the recommended timeframe of two years	11	New measure	100%
Percentage of oral health weighted occasions of service which are preventive	12	15%	12%
Percentage of oral health weighted occasions of service provided by private dental partners	13	8%	16%
State contribution ($000)		574,348	480,107
Other revenue ($000)		99,718	674,065
Total cost ($000)		686,891	1,166,998
Service area: Ambulatory care			
Service standards			
Percentage of patients transferred off-stretcher within 30 minutes		90%	88%
Percentage of emergency department attendances who depart within 4 hours of their arrival in the department	14	80%	76%
Median wait time for treatment in emergency departments (minutes)	15	20	20
Percentage of emergency department patients seen within recommended timeframes:			
• Category 1 (within 2 minutes)		100%	99%
• Category 2 (within 10 minutes)		80%	78%
• Category 3 (within 30 minutes)		75%	65%
• Category 4 (within 60 minutes)		70%	73%
• Category 5 (within 120 minutes)		70%	90%
• all categories	16	—	71%
Percentage of specialist outpatients waiting within clinically recommended times:			
• Category 1 (30 days)		48%	50%
• Category 2 (90 days)		33%	34%
• Category 3 (365 days)	17	90%	55%
Percentage of babies born of low birth weight to:			
• non Aboriginal and Torres Strait Islander mothers		5.8%	4.0%
• Aboriginal and Torres Strait Islander mothers	18	8.7%	8.9%
Total weighted activity units:			
• emergency department		213,110	227,396
• outpatients		235,731	258,803
• interventions and procedures	19	128,378	106,243
State contribution ($000)		1,603,079	1,401,107
Other revenue ($000)		858,634	2,004,568
Total cost ($000)		2,461,713	3,405,675

	Notes	2013–14 target/est.	2013–14 actual
Service area: Acute care			
Service standards			
Median wait time for elective surgery (days):			
• Category 1 (30 days)		—	12
• Category 2 (90 days)		—	55
• Category 3 (365 days)		—	158
• all categories	20	25	29
Percentage of elective surgery patients treated within clinically recommended times:			
• Category 1 (30 days)		100%	95%
• Category 2 (90 days)		91%	80%
• Category 3 (365 days)	21	96%	88%
Percentage of admitted patients discharged against medical advice:			
• non-Aboriginal and Torres Strait Islander patients		0.8%	1.0%
• Aboriginal and Torres Strait Islander patients	22	1.7%	3.3%
Average cost per weighted activity unit for activity based funding facilities	23	$4,437	$4,397
Total weighted activity units—acute inpatient	19	867,683	896,602
State contribution ($000)		3,978,876	2,456,798
Other revenue ($000)		6,435,674	3,898,127
Total cost ($000)		5,577,058	9,475,185
Service area: Rehabilitation and extended care			
Service standard			
Total weighted activity units—sub acute	19	98,635	91,678
State contribution ($000)		549,600	685,038
Other revenue ($000)		508,616	980,084
Total cost ($000)		1,058,216	1,665,122
Service area: Integrated mental health services			
Service standards			
Proportion of re-admissions to acute psychiatric care within 28 days of discharge	24, 25	‹ 12%	13.5%
Rate of community follow up within 1–7 days following discharge from an acute mental health inpatient unit		› 60%	64.5%
Percentage of the population receiving clinical mental health care	26	1.8%–2.0%	1.9%
Ambulatory mental health service contact duration (hours)	27	961,388–1,164,571	777,277
Total weighted activity units—mental health	19	122,744	121,460
State contribution ($000)		701,822	905,109
Other revenue ($000)		417,948	1,294,942
Total cost ($000)		1,119,770	2,200,051

	Notes	2013–14 target/est.	2013–14 actual
Service area: Ambulance services			
Service standards			
Time within which code 1 incidents are attended:			
• 50th percentile response time	28, 29, 30	8.2 minutes	8.2 minutes
• 90th percentile response time	28, 29, 31	16.5 minutes	16.3 minutes
Percentage of Triple Zero (000) calls answered within 10 seconds	32	90%	90.7%
Percentage of non-urgent incidents attended to by the appointment time	29, 33	>70%	82.1%
Percentage of patients who report a clinically meaningful pain reduction	34	New measure	89.0%
Gross cost per incident	35, 36	$671	$645
Gross cost per head of population	37, 38	$130	$122
State contribution ($000)	39	N/A	343,982
Other revenue ($000)		N/A	96,149
Total cost ($000)		N/A	440,131

Notes:

1. The annual notification rate of HIV infection is a reflection of the number of notifications per 100,000 population.
2. Rapid HIV testing was implemented from June 2013 in 11 sexual health services across the state. A HIV rapid test is a point-of-care test which enables clinicians to test the patient (on a preliminary basis) for HIV on site. The 2013–14 target/est. was set to ensure that there was sufficient funding and available tests to cope with the maximum projected level of demand. Access to the tests is available in an increasing number of locations, but the initial target was an overestimate of demand. The focus of rapid testing is now on increasing access to testing in different locations in line with the Queensland HIV Strategy.
3. 2013–14 actual data for participation rates for BreastScreen Queensland and the Queensland Cervical Screening Program relate to the latest period for which data is available (the 2011–2012 biennial period).
4. 2013–14 actual data for participation rates for the National Bowel Cancer Screening Program are for the 2011–12 financial year (when people aged 50, 55 and 65 years of age were invited to participate). A range of factors are likely to be involved with the observed reduction in participation in the program during the 2011–12 period, including a pause in the national program between January and June 2011 due to the uncertainty of program continuation and funding. This may have affected the program's momentum, causing some of the reduction.
5. There may be fluctuations from year to year in the actual data based on the demographics of the women screened.
6. 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.
7. This indicator provides the ratio of total potentially preventable hospitalisations for Aboriginal and Torres Strait Islander hospitalisations as a percentage of total admissions. The 2013–14 actual data are preliminary and subject to change.
8. The 2013–14 actual data are preliminary, incomplete and subject to change.
9. 2013–14 was the first full year of implementation of the Mums and Bubs initiative and the initial annual target/est. of 75,827 visits, as published in the 2013–14 Service Delivery Statement, was subsequently revised downwards to 72,313 to reflect revised targets for two individual HHSs.
10. The 2013–14 actual figure includes additional oral health service activity funded under the National Partnership Agreement for Treating More Public Dental Patients.
11. This measure has been introduced to report on access to non-urgent care for eligible adult patients on the general care public dental waiting list. The information reported is complementary to the data on oral health service waiting lists published on the Queensland Health Hospital Performance internet site at www.health.qld.gov.au/performance/dental/default.asp
12. 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.
13. As reflected in the 2013–14 actual figure, the increase in the percentage of oral health weighted occasions of service provided by private dental partners is primarily due to additional funding for oral health services in 2013–14 from the National Partnership Agreement for Treating More Public Dental Patients.
14. The 2013–14 target/est. was set as the midway point between the 2013 and 2014 calendar year national emergency access target, as per the National Partnership Agreement on Improving Public Hospital Services.
15. There is no nationally agreed target for median waiting time for treatment in emergency departments.
16. A target is not included for all triage categories as there is no national benchmark.
17. The 2013–14 targets for Category 1 and 2 were based on actual 2012–13 performance, and the target for Category 3 aligns with the *Blueprint for better healthcare in Queensland*. Specialist outpatient performance is reported for patients waiting as at 1 July 2014 and excludes Princess Alexandra and Mater public facilities.

18. Low birth weight is defined as less than 2500 grams and excludes multiple births, stillbirths and births of unknown weight. The 2013–14 actual data are preliminary, incomplete and subject to change.
19. Estimates of the number of weighted activity units are affected by the parameters of the activity based funding model and are specific to the model under which they are calculated. The 2013–14 target/est. and actual figures have been calculated based on the Phase 17 activity based funding model applying in 2014–15 to enable comparison with 2014–15 target/est. figures (as published in the 2014–15 Service Delivery Statement).
20. A target is not included for categories 1–3 as there is no national benchmark at the 50th percentile.
21. The 2013–14 targets were set as the midway point between the 2013 and 2014 calendar year national elective surgery target, as per the National Partnership Agreement on Improving Public Hospital Services.
22. The 2013–14 actual data are preliminary and subject to change.
23. Estimates of the average cost per weighted activity unit are affected by the parameters of the activity based funding model and are specific to the model under which they are calculated. The 2013–14 target/est. and actual figures have been calculated based on the Phase 17 activity based funding model applying in 2014–15 to enable comparison with 2014–15 target/est. figures (as published in the 2014–15 Service Delivery Statement).
24. The target for mental health readmissions is the nationally indicative target identified in the Fourth National Mental Health Plan Measurement Strategy. As such, it represents a stretch target of good practice for HHSs (collectively) to attain 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.
25. The 2013–14 actual data is based on preliminary data available for the period 1 July 2013 to 31 May 2014.
26. 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.
27. The 2013–14 actual data is based on preliminary data for the period 1 July 2013 to 31 May 2014. The target for this indicator was set using a standard methodology based on previous investment in mental health services, with adjustments for variation expected due to geographic locality. However, due to a range of issues including known under-reporting within clinical information systems that capture the data, many HHSs did not meet the target for 2013–14. A range of strategies, both statewide and localised, are being implemented to improve data collection across HHSs.
28. A Code 1 incident is potentially life threatening necessitating the use of ambulance warning devices (lights and/or siren) en route.
29. An incident is an event that results in one or more responses by the ambulance service.
30. 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.
31. 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.
32. 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 10 seconds.
33. 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).
34. 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 1 to 10, the initial pain score was at least seven.
35. An incident is an event that results in one or more responses by the ambulance service.
36. This measure reports total ambulance service expenditure divided by the number of incidents. The 2013–14 actual data is based on full year expenditure and activity comprising three months pre and nine months post machinery of government change (from the former Department of Community Safety to the Department of Health).
37. This measure reports total ambulance service expenditure divided by the population of Queensland. The 2013–14 actual data is based on full year expenditure and activity comprising three months pre and nine months post machinery of government change (from the former Department of Community Safety to the Department of Health).
38. A population figure of 4,740,113 was used to calculate the 2013–14 target/est. and a population figure of 4,741,200 was used to calculate the 2013–14 actual. These figures were sourced from Queensland Treasury and Trade.
39. The 2013–14 target/est $ are per 2013–14 published budget. At time of publication, the Queensland Ambulance Service did not form part of the Department of Health, hence target/est was not available.

Major audits and reviews

Health Services Support Agency business strategy review

The Health Services Support Agency business strategy review was commissioned by the Queensland Health Renewal Taskforce in collaboration with Health Services Support Agency in 2013–14. The review recommended significant change to the provision of support services within Queensland Health to be driven by the needs of HHSs.

The review recommended a three to five year transformation program to achieve system-wide benefits including:

- increased efficiencies and value for money
- improved customer service and enhanced accountability
- cost reduction and improved performance.

Individual customer needs will be balanced with the need to maintain access, value for money, quality and efficiency across the whole health system.

A high level benefits case was developed and indicative savings from contestable service provision, procurement and sourcing benefits, and supply chain optimisation were determined.

This review contributed to the value for money and governance and innovation strategic objectives.

Right of private practice in Queensland public hospitals

The Queensland Audit Office report Right of Private Practice in Queensland Public Hospitals was tabled in the Queensland Parliament on 11 July 2013.

The report found private practice arrangements, rather than being cost neutral as intended upon introduction, had cost the public health system at least $804.24 million over the last decade. The report found a pattern of evidence, *prima facie*, that Category 2 elective surgery patients who chose to be treated privately received priority access compared to public patients.

Further identifying shortcomings in the oversight and financial control of the arrangements, the report made a range of recommendations including a redesign of private practice arrangements to ensure the scheme is financially sustainable and incorporates appropriate governance frameworks.

Commission of Inquiry into the implementation of the Queensland Health payroll system

The Commission of Inquiry into the implementation of the Queensland Health payroll system began on 1 February 2013. Following submissions and extensive public hearings, the Commissioner's report was provided to the government on 31 July 2013.

The government's response to the report was tabled in Parliament on 20 August 2013. The department supported implementation of the report's recommendations through establishment of a Queensland Health Payroll Planning Group to oversee detailed planning for the replacement of the Queensland Health payroll system.

Safety management system audits

As part of Queensland Health's safety assurance model, HHSs undergo biennial safety management system audits. The audits are conducted by an external provider in accordance with *Australian Standard/New Zealand Standard 4801: 2001 Occupational health and safety management systems*. In 2013–14, nine HHSs completed the audit requirements and were provided with a copy of their detailed audit findings for review and action.

Review of the Mental Health Act 2000

The review of the *Mental Health Act 2000* began in June 2013 with a first round of consultation in which Queenslanders were invited to suggest improvements to the Act. The first round of consultation concluded in August 2013. The review team held meetings and workshops during the consultation period, including in regional Queensland, and received approximately 100 written submissions.

Following an analysis of those submissions, research into legislation in other comparable jurisdictions, a review of literature, and analysis of Queensland Health and other data, proposals were developed and released in May 2014 for the second round of consultation. Queenslanders were asked whether the proposals would achieve their intended outcomes, and whether there are alternatives that might deliver greater benefits.

Australian Government agreements

Table 17 provides a summary of key achievements in 2013–14 delivered by the department and 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 about all agreements between the Queensland and Australian Governments go to www.federalfinancialrelations.gov.au/content/npa/health_reform.aspx

Table 17: National partnership agreements

Agreement	Key achievements in 2013–14
NPA on Improving Public Hospital Services	In 2013–14 more than 2000 procedures were provided using $13.6 million in NPA funding
	In 2013–14, $400,000 was used to finalise the implementation of the operating room information management system (ORMIS 7.0) across 37 sites
	Queen Elizabeth II emergency department upgrade (completed October 2013)
	Queen Elizabeth II endoscopy (completed October 2013)
	Queen Elizabeth II palliative care unit (completed February 2014)
	Cairns subacute ward (completed April 2014)
	Redcliffe Hospital paediatric emergency department (completed March 2014)
NPA on Supporting National Mental Health Reform	29 additional places delivered across Queensland in the Housing and Support Program
	A new transitional recovery service establishedin Mackay
	5 additional brokered lease housing places to support transitional recovery services at Caboolture (2) and the Sunshine Coast (3)
	60 new places in personalised support services in the Cairns and Hinterland (8), Townsville (11), Central Queensland (10), Gold Coast (13), and West Moreton and Darling Downs (18) HHSs
NPA on Preventive Health	Improved staff and parent knowledge of dairy intake, introducing solids, promoting healthy foods, active play and screen time
	Decrease in child consumption of cordial, soft drinks, packaged snacks and screen time
	Increase in outside school hours care services offering vegetables and with established breakfast menu and planned physical activity before school
	High school cooking program showed increase in fruit and vegetable intake of students and reduction in consumption of unhealthy foods
	Active travel program showed increase in active travel to school and in children who met the recommended daily activity levels
	Increase in vegetable consumption of Pacific Islander and Maori children
	228 families enrolled in intense (15 hour) clinical intervention to manage overweight and obesity in children aged between 5-11 years
	236 sporting clubs have been accredited for healthy food and drink supply
	3060 workers registered in Workplace Quit Smoking Program
	31 per cent quit rate 12 months after participating in program
	304 workplaces registered for the 10,000 Steps Workplace Program
	119 workplaces implemented the 10,000 Steps program and 4971 workers participated in the program
	Nominated as finalist for national Healthy Workers Award by the Local Government Association of Queensland
	1119 workplaces members of Workplaces for Wellness website and 1634 eNews subscribers
	234 workplaces attended Leading Safer and Healthier Workplaces forums
	482 workplaces attended workplace health and wellbeing professional development workshops
	35 workplaces received recognition (20 Bronze, 12 Silver and 3 Gold)

NPA on Essential Vaccines	Queensland achieved 3 out of the 4 performance benchmarks and is eligible for incentive payments
NPA on Indigenous Early Childhood	Contributed to improved birth weights and improved peri-natal outcomes through the establishment of more than 8 maternal and infant care teams in regional, rural and remote locations to increase access to culturally appropriate, responsive antenatal services, especially in the first trimester
	Contributed to young people's improved knowledge of sexual and reproductive health by providing education and health promotion in Queensland schools, custodial and community settings, including where to access sexual health screening and treatment
	Contributed to improved maternity and child health outcomes through the development, piloting and statewide implementation and evaluation of the For Me and Bub, a smoking and alcohol prevention program, to assist clinical staff with their work with Indigenous communities
	Slight decline in child mortality rates
	Increase in ante-natal visits
	Slight decrease in low birth weight babies
NPA on Treating More Public Dental patients	The number of people on the waiting list for check-ups, particularly those waiting longer than the recommended waiting time of 2 years, has reduced significantly
	Between 1 July 2013 and 30 June 2014, all of the 38,794 long wait dental patients were seen
	Major performance milestones at 31 December 2013 and 30 June 2014 were achieved
National Perinatal Depression Initiative	Implementation in 2013–14 lead to demonstrable outputs across the 5 project output areas including: • routine and universal screening for perinatal depression • follow-up for women assessed as being at risk of or experiencing perinatal depression • workforce training and development for health professionals • research and data collection • community awareness
	Examples include: • 49 universal psychosocial screening training packages distributed to support the delivery of training across the sector • 6 dedicated perinatal mental health positions provided local level pathways to care for women screened as moderate to high risk of perinatal disorders • engagement in a range of awareness raising activities including DVD, print, web-based resource distributing and attendance at network events.
Partnership Agreement (PA) for the Ozfoodnet Program	Collected, analysed and reported on epidemiological data on 323 gastroenteritis outbreaks in Queensland in 2013–14; 32 (10 per cent) were food-borne
	The most common notifiable pathogens were Salmonella and Campylobacter
	The most common pathogen associated with outbreaks was norovirus
	Contributed enhanced epidemiological surveillance of Australia's largest outbreak of shiga-toxin producing E. coli (STEC) associated with a petting zoo at the Royal Queensland Agricultural Show in Brisbane; 57 notified cases including 37 children aged 1 to 15 years.
PA for the National Bowel Cancer Screening Program—Participant Follow-Up Function	During 2013–14 the participant follow-up function officers followed up 3407 participants. Of these, 88 per cent (2991) were referred for colonoscopy.
PA on the Rheumatic Fever Strategy	Provision of education and training to healthcare service providers, individuals/clients, families and communities
	Patient register and recall system maintained—number of registered individuals and recall notices to health services/facilities increased throughout 2013–14 • 1558 registered individuals on the database as of 1 January 2014 (increase of 55 individuals from 1 July 2013) • 142 facilities receiving recall notices as of 1 January 2014 (increase of 16 facilities from 1 July 2013)
	Improvement in the number of clients receiving appropriate treatment/management of secondary prophylaxis strategies including antibiotics, echocardiogram and clinical reviews
	Training and education sessions continue to be conducted to health service providers, individuals/clients, family members and communities
	Number of individuals receiving education from 1 July 2013 • 569 health service providers • 568 clients • 631 family members
	8 community events/promotional stalls held since 1 July 2014

PA on the Management of Torres Strait/Papua New Guinea Cross Border Health Issues	Provision of health services to Papua New Guinea (PNG) nationals who travel through the Torres Strait Treaty Zone and present at Queensland Health facilities
	Safe and ethical transfer of PNG tuberculosis patients to the PNG health system
PA on Torres Strait Health Protection Strategy—Mosquito Control and Cross Border Liaison in the Torres Strait Protected Zone	The program has been successful in significantly reducing the number of Aedes albopictus in target location in Torres Strait and preventing the emergence of the mosquito on mainland Queensland
PA on Vaccine Preventable Disease Surveillance	Continued surveillance and reporting of nationally notifiable vaccine preventable diseases
NPA on Hospital and Health Reform	Queen Elizabeth II emergency department (completed in October 2013)
	Ipswich Hospital emergency department (completed March 2014)
	Rockhampton Hospital subacute servers—rehabilitation beds (forecast completion November 2014).
	Townsville subacute—30 rehabilitation beds consolidated with 15 rehabilitation beds funded under the NPA on Improving Public Hospital Services (forecast completion October 2014).
Health Infrastructure—Health and Hospital Fund—2011 Regional Priority Round	Cairns Base Hospital—construction and fit-out of new Planned Procedure Centre (completed April 2014)

Acts and subordinate legislation

Table 18: Acts and subordinate legislation

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

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

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.
Activity based funding	A management tool with the potential to enhance public accountability and drive technical efficiency in the delivery of health services by: • capturing consistent and detailed information on hospital sector activity and accurately • measuring the costs of delivery • creating an explicit relationship between funds allocated and services provided • strengthening management's focus on outputs, outcomes and quality • encouraging clinicians and managers to identify variations in costs and practices so they can be managed at a local level in the context of improving efficiency and effectiveness • providing mechanisms to reward good practice and support quality initiatives.
Acute	Having a short and relatively severe course.
Acute care	• Care in which the clinical intent or treatment goal is to: • 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 Hospital in the Home 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.
Benchmarkin	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.
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.
Decision support system	Consolidates data suitable for finance, HR, pharmacy and pathology related information for decision support purposes.
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 National Health and Hospitals Reform Commission Report (2009) that outlined recommendations for transforming the Australian health system, the National Health and Hospitals Network Agreement (NHHNA) 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 is made up of a mix of members with expert skills and knowledge relevant to managing a complex healthcare organisation.
Hospital and Health Service	A Hospital and Health Service is a separate legal entity established to deliver public hospital services. HHSs commenced on 1 July 2012. Queensland's 17 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.
Indigenous health 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.
Medicare Local	An organisation established by the Australian Government to coordinate primary healthcare services across all providers in a geographic area. Medicare locals work closely with HHSs to identify and address local health needs. They are selected and funded by the Australian Government and were rolled out progressively from 1 July 2011.
Medical practitioner	A person who is registered with the Medical Board of Australia to practice medicine in Australia, including general and specialist practitioners.
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, be it planned or unplanned, happens 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. Usually has 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.
Public health sector	Incorporates the Department of Health and the 17 Hospital and Health Services.
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 sector, incorporating the Department of Health and the 17 Hospital and Health Services.
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.
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: • live, audio and or/video interactive links for clinical consultations and educational purposes • store-and-forward Telehealth, including digital images, video, audio and clinical (stored) 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.
Wayfinding	Signs, maps and other graphic or audible methods used to convey locations and directions.

Glossary of acronyms

ABF	Activity based funding
ARF	Acute rheumatic fever
ARRs	Annual report requirements
CC	Creative Commons
CSSP	Clinical Supervisor Support Program
DSS	Decision Support System
EMT	Executive Management team
ESU	Ethical Standards Unit
FAA	Financial Accountability Act
FPMS	Financial and Performance Management Standard
FSS	Forensic and Scientific Services
FTE	Full-time equivalent
GOS	Grade of service
GP	General practitioner
HHB	Hospital and Health Board
HHF	Health and Hospital Fund
HHS	Hospital and Health Service
HQCC	Health Quality and Complaints Commission
HSCE	Health Service Chief Executive
HSCI	Health Service and Clinical Innovation
HSIA	Health Services Information Agency
HSSA	Health Services Support Agency
HR	Human resources
ICT	Information and communications technology
ieMR	Integrated Electronic Medical Record
IHI	Individual Healthcare Identifiers
LBTP	Land and Building Transfer Project
MAC	Ministerial Advisory Committee
MEDAI	Metropolitan Emergency Department Access Initiative
MRSA	Methicillin Resistant Staphylococcus Aureus
NBCSP	National Bowel Cancer Screening Program
NEAT	National Emergency Access Target
NEHTA	National E-Health Transition Authority
NEST	National Elective Surgery Target
NHHNA	National Health and Hospital Network Agreement
NHIS	National Healthcare Identifiers Service
ODG	Office of the Director-General
PBS	Pharmaceutical Benefits Scheme
PCEHR	Personally Controlled Electronic Health Record
PFUF	Participant Follow-up Function
PPP	Public-private partnership
PrEP	Pre-exposure prophyaxis
QAS	Queensland Ambulance Service
QRTN	Queensland Regional Training Networks
RHD	Rheumatic heart disease
RRAHPTS	Rural and Remote Allied Health Priority Transfer Scheme
SPP	System Policy and Performance
SSS	System Support Services
VLAD	Variable Life Adjusted Display
WAU	Weighted activity units

Compliance checklist– annual report

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.

FAA *Financial Accountability Act 2009*
FPMS Financial and Performance Management Standard 2009
ARRs Annual report requirements for Queensland Government agencies

Table 19: 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	ARRs – section 10.1	Pages 3-4
	Glossary		Pages 110-111
	Public availability	ARRs – section 10.2	Inside front cover
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 10.3	Inside front cover
	Copyright notice	*Copyright Act 1968* ARRs – section 10.4	Inside front cover
	Information licensing	Queensland Government Enterprise Architecture – Information licensing ARRs – section 10.5	Inside front cover
General information	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 5-9
	Machinery-of-government changes	ARRs – section 11.4	Page 19
Non-financial performance	Government objectives for the community	ARRs – section 12.1	Pages 8-9, 43, 54, 61, 71, 78, 90
	Other whole-of-government plans/ specific initiatives	ARRs – section 12.2	Pages 106-108
	Agency objectives and performance indicators	ARRs – section 12.3	Pages 9, 43, 54, 61, 71, 78, 90
	Agency service areas, service standards and other measures	ARRs – section 12.4	Pages 99-104

Summary of requirement		Basis for requirement	Annual report reference
Financial performance	Summary of financial performance	ARRs – section 13.1	Pages 10-15
Governance – management and structure	Organisational structure	ARRs – section 14.1	Pages 16-23
	Executive management	ARRs – section 14.2	Pages 20-22
	Related entities	ARRs – section 14.3	Pages 24-29
	Public Sector Ethics Act 1994	*Public Sector Ethics Act 1994* (section 23 and Schedule) ARRs – section 14.5	Pages 29-30
Governance – risk management and accountability	Risk management	ARRs – section 15.1	Page 31
	External scrutiny	ARRs – section 15.2	Pages 32-33
	Audit committee	ARRs – section 15.3	Page 33
	Internal audit	ARRs – section 15.4	Page 34
	Public Sector Renewal Program	ARRs – section 15.5	Pages 35-36
	Information systems and recordkeeping	ARRs – section 15.7	Page 36
Governance – human resources	Workforce planning, attraction and retention, and performance	ARRs – section 16.1	Pages 37-42
	Early retirement, redundancy and retrenchment	*Directive No.11/12 Early Retirement, Redundancy and Retrenchment* ARRs – section 16.2	Page 42
Open Data	Open Data	ARRs – section 17	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	Financial Reporting Requirements for Queensland Government Agencies ARRs – section 18.3	With financial statements

Department of Health financial statements 2013–14

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

A description of the nature of the department's operations and its principal activities are included in the notes to the financial statements.

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 **www.health.qld.gov.au**

Department of Health
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2014

	Note	2014 $'000	2013 $'000
Revenue			
Departmental services revenue	5	8,268,855	7,733,117
User charges	6	1,401,595	1,401,608
Labour recoveries	7	6,764,042	6,693,409
Grants and other contributions	8	2,925,701	2,734,388
Gains on disposals	10	901	2,093
Share of profit from associates	11	-	14,147
Other revenue	9	35,753	28,182
Total revenue		19,396,847	18,606,944
Expenses			
Employee expenses	12	(7,792,739)	(7,482,141)
Supplies and services	13	(1,113,744)	(907,021)
Health services	14	(10,041,021)	(9,818,954)
Share of loss from associates	20	(1,162)	-
Grants and subsidies	15	(90,103)	(103,157)
Depreciation and amortisation	16	(121,282)	(85,884)
Impairment losses	17	1,922	(13,487)
Other expenses	19	(233,907)	(182,959)
Total expenses		(19,392,036)	(18,593,603)
Surplus for the year		4,811	13,341
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Increase/decrease in asset revaluation surplus		9,048	18,166
Opening balance adjustments		-	77,724
Other comprehensive income for the year		9,048	95,890
Total comprehensive income for the year		13,859	109,231

Refer to Note 4 for detailed information on prior year adjustments.

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 2014

	Note	2014 $'000	2013 $'000
Assets			
Current assets			
Cash and cash equivalents	21	(157,794)	(181,787)
Loans and receivables	22	1,154,906	974,024
Inventories	23	51,361	48,747
Classified as held for sale	24	14,700	-
Other assets	25	130,730	137,521
Total current assets		1,193,903	978,505
Non-current assets			
Loans and receivables	26	372,831	424,464
Investment in associates	27	82,087	83,339
Other financial assets	28	20,000	20,000
Property, plant and equipment	29	2,709,945	3,429,995
Intangibles	30	231,983	229,861
Other assets	31	1,131	3,394
Total non-current assets		3,417,977	4,191,053
Total assets		4,611,880	5,169,558
Liabilities			
Current liabilities			
Payables	32	698,490	551,815
Accrued employee benefits	33	545,099	611,207
Unearned revenue	34	63	40
Other liabilities	35	9,159	9,073
Total current liabilities		1,252,811	1,172,135
Non-current liabilities			
Unearned revenue	36	20,213	4,953
Other liabilities	37	247,283	263,665
Total non-current liabilities		267,496	268,618
Total liabilities		1,520,307	1,440,753
Net assets		3,091,573	3,728,805
Equity			
Contributed equity		-	339,697
Asset revaluation surplus	38	87,297	78,249
Retained surpluses		3,004,276	3,310,859
Total equity		3,091,573	3,728,805

Refer to Note 4 for detailed information on prior year adjustments.

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 2014

	Contributed equity $'000	Reserves $'000	Retained surpluses $'000	Total equity $'000
Balance at 1 July 2012	4,984,169	944,461	2,450,833	8,379,463
Prior year adjustments	4,104	-	(105,466)	(101,362)
Balance at 1 July 2012 - restated	4,988,273	944,461	2,345,367	8,278,101
Surplus for the year	-	-	13,341	13,341
Other comprehensive income for the year	9,951	95,890	(9,951)	95,890
Total comprehensive income for the year	9,951	95,890	3,390	109,231
Transactions with owners in their capacity as owners:				
Equity injections	1,265,148	-	-	1,265,148
Equity withdrawals	(239,430)	-	-	(239,430)
HHS equity injections	197,618	-	-	197,618
Reclassification of revaluation reserve	-	(962,102)	962,102	-
Net assets transferred	(5,492,654)	-	-	(5,492,654)
Other transfers	(389,209)	-	-	(389,209)
Balance at 30 June 2013	339,697	78,249	3,310,859	3,728,805

Refer to Note 4 for detailed information on prior year adjustments.

	Contributed equity $'000	Reserves $'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
Transactions with owners in their capacity as owners:				
Equity injections (Note 5)	1,051,287	-	-	1,051,287
Equity withdrawals (Note 5)	(416,885)	-	-	(416,885)
HHS equity injections	205,874	-	-	205,874
Reclassification between equity classes	315,698	-	(315,698)	-
Queensland Ambulance Service transfer (Note 42)	434,808	-	-	434,808
Assets transferred	(1,930,479)	-	4,304	(1,926,175)
Balance at 30 June 2014	-	87,297	3,004,276	3,091,573

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 2014

	Note	2014 $'000	2013 $'000
Cash flows from operating activities			
Departmental services receipts		8,340,966	7,786,011
User charges		1,329,619	734,696
Grants and other contributions		2,899,059	2,721,551
Interest received		4,749	1,710
GST collected from customers		21,683	12,425
GST input tax credits		154,831	138,625
Other revenue		31,004	31,105
Labour recoveries		6,563,377	6,693,409
Employee expenses		(7,804,679)	(7,315,388)
Supplies and services		(575,944)	(585,490)
Grants and subsidies		(90,103)	(103,157)
QGIF insurance		(107,274)	(102,760)
GST paid to suppliers		(141,147)	(129,698)
GST remitted		(24,586)	(15,254)
Other expenses		(169,264)	(48,210)
Health services		(9,922,525)	(9,491,926)
Net cash from operating activities	51	509,766	327,649
Cash flows from investing activities			
Payments for property, plant and equipment		(995,576)	(1,276,825)
Payments for intangibles		(47,743)	(64,711)
Loans and advances paid		(1,098)	(1,046)
Proceeds from sale of property, plant and equipment		26,490	1,597
Proceeds from sale of intangibles		272	-
Net cash used in investing activities		(1,017,655)	(1,340,985)
Cash flows from financing activities			
Equity injections		1,051,287	1,293,130
Equity withdrawals		(531,637)	(396,821)
Transfer of assets to HHSs		-	(78,359)
Cash received net of Queensland Ambulance Service MOG		12,232	-
Finance lease advanced		-	78,340
Net cash from financing activities		531,882	896,290
Net increase/(decrease) in cash and cash equivalents		23,993	(117,046)
Cash and cash equivalents at the beginning of the financial year		(181,787)	(64,741)
Cash and cash equivalents at the end of the financial year	21	(157,794)	(181,787)

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
As at 30 June 2014

	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	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Revenue																
Departmental services revenue	489,881	334,122	421,526	597,925	1,680,648	1,662,859	3,997,571	3,902,442	637,178	574,084	692,966	661,685	349,085	-	8,268,855	7,733,117
User charges	57,495	44,661	53,201	3,016	214,373	278,591	810,178	1,006,916	83,184	30,938	90,083	37,486	93,081	-	1,401,595	1,401,608
Labour recoveries	317,910	407,263	368,640	362,371	1,350,779	1,430,287	3,529,478	3,444,869	581,031	451,900	616,204	596,719	-	-	6,764,042	6,693,409
Grants and other contributions	155,414	777,431	158,273	280,685	571,223	40,041	1,497,713	298,823	281,816	1,325,814	260,312	11,594	950	-	2,925,701	2,734,388
Gains	10	61	35	148	73	366	228	1,091	46	270	30	157	479	-	901	2,093
Share of profit from associates	-	899	-	718	-	2,967	-	7,286	-	1,091	-	1,186	-	-	-	14,147
Other revenue	5,861	9,195	363	821	5,954	6,703	21,428	9,250	279	467	521	1,746	1,347	-	35,753	28,182
Total revenue	1,026,571	1,573,632	1,002,038	1,245,684	3,823,050	3,421,814	9,856,596	8,670,677	1,583,534	2,384,564	1,660,116	1,310,573	444,942	-	19,396,847	18,606,944
Expenses																
Employee expenses	367,107	403,035	439,500	443,553	1,378,605	1,357,836	3,800,462	3,793,177	647,762	643,207	844,194	841,333	315,109	-	7,792,739	7,482,141
Supplies and services	85,452	86,939	72,611	63,257	161,727	138,031	483,445	420,806	98,037	87,454	122,086	110,534	90,386	-	1,113,744	907,021
Health Services	556,307	565,942	620,988	604,013	1,782,353	1,742,607	4,991,253	4,892,435	890,357	866,353	1,199,763	1,147,604	-	-	10,041,021	9,818,954
Share of loss from associates	145	-	77	-	180	-	485	-	98	-	177	-	-	-	1,162	-
Grants and subsidies	12,718	5,796	9,161	6,449	16,288	18,221	37,481	51,049	4,731	9,226	6,476	12,416	3,248	-	90,103	103,157
Depreciation and amortisation	5,727	7,148	4,189	3,581	22,503	18,683	50,893	45,211	6,218	5,546	6,349	5,715	25,403	-	121,282	85,884
Movement of impairment	(124)	2,408	(177)	1,124	(628)	1,963	(1,653)	5,231	(288)	988	(278)	1,773	1,226	-	(1,922)	13,487
Other expenses	11,542	11,599	20,649	12,488	44,647	32,336	112,819	89,846	18,207	15,649	21,284	21,041	4,759	-	233,907	182,959
Total expenses	1,038,874	1,082,867	1,166,998	1,134,465	3,405,675	3,309,677	9,475,185	9,297,755	1,665,122	1,628,423	2,200,051	2,140,416	440,131	-	19,392,036	18,593,603
Surplus for the year	(12,303)	490,765	(164,960)	111,219	417,375	112,137	381,411	(627,078)	(81,588)	756,141	(539,935)	(829,843)	4,811	-	4,811	13,341
Items that will not be reclassified subquently to profit or loss																
Increase/ decrease in asset revaluation surplus	(369)	1,047	(414)	1,117	(1,201)	3,223	(3,348)	9,053	(589)	1,603	(783)	2,123	15,752	-	9,048	18,166
Opening Balance adjustments	-	4,480	-	4,781	-	13,794	-	38,727	-	6,858	-	9,084	-	-	-	77,724
Other comprehensive income	(369)	5,527	(414)	5,898	(1,201)	17,017	(3,348)	47,780	(589)	8,461	(783)	11,207	15,752	-	9,048	95,890
Total comprehensive income	(12,672)	496,292	(165,374)	117,117	416,174	129,154	378,063	(579,298)	(82,177)	764,602	(540,718)	(818,636)	20,563	-	13,859	109,231

* The department has adopted a new methodology for allocating revenue and expenses to achieve a more appropriate allocation of transactions and balances between major services.

Department of Health
Statement of assets and liabilities by major departmental services
As at 30 June 2014

	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	
	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000	2014 $'000	2013 $'000
Current assets																
Cash and cash equivalents	(9,724)	(10,478)	(10,906)	(11,183)	(31,624)	(32,264)	(88,129)	(90,575)	(15,523)	(16,040)	(20,630)	(21,247)	18,742	-	(157,794)	(181,787)
Loans and receivables	61,462	56,140	68,931	59,917	199,879	172,863	557,022	485,323	98,114	85,940	130,391	113,841	39,107	-	1,154,906	974,024
Inventories	2,819	2,809	3,162	2,998	9,168	8,651	25,548	24,290	4,500	4,302	5,981	5,697	183	-	51,361	48,747
Classified as held for sale	799	-	896	-	2,597	-	7,239	-	1,275	-	1,694	-	200	-	14,700	-
Other assets	7,105	7,926	7,968	8,459	23,106	24,406	64,391	68,524	11,342	12,133	15,073	16,073	1,745	-	130,730	137,521
Total current assets	62,461	56,397	70,051	60,191	203,126	173,656	566,071	487,562	99,708	86,335	132,509	114,364	59,977	-	1,193,903	978,505
Non-current assets																
Loans and receivables	20,537	24,465	23,033	26,110	66,787	75,332	186,122	211,496	32,783	37,452	43,569	49,609	-	-	372,831	424,464
Investments in associates	4,522	4,803	5,071	5,126	14,705	14,790	40,978	41,526	7,218	7,354	9,593	9,740	-	-	82,087	83,339
Other financial assets	1,102	1,152	1,236	1,230	3,583	3,550	9,983	9,966	1,759	1,765	2,337	2,337	-	-	20,000	20,000
Property, plant and equipment	125,090	197,697	140,292	210,996	406,802	608,734	1,133,675	1,709,045	199,685	302,637	265,377	400,886	439,024	-	2,709,945	3,429,995
Intangibles	12,778	13,248	14,331	14,140	41,556	40,794	115,810	114,533	20,399	20,281	27,109	26,865	-	-	231,983	229,861
Other assets	48	195	54	208	157	603	439	1,693	77	299	102	396	254	-	1,131	3,394
Total non-current assets	164,077	241,560	184,017	257,810	533,590	743,803	1,487,007	2,088,259	261,921	369,788	348,087	489,833	439,278	-	3,417,977	4,191,053
Total assets	226,538	297,957	254,068	318,001	736,716	917,459	2,053,078	2,575,821	361,629	456,123	480,596	604,197	499,255	-	4,611,880	5,169,558
Current Liabilities																
Payables	37,182	31,805	41,701	33,944	120,920	97,932	336,981	274,950	59,355	48,689	78,882	64,495	23,469	-	698,490	551,815
Accrued employee benefits	28,984	35,228	32,507	37,598	94,260	108,474	262,684	304,542	46,269	53,929	61,490	71,436	18,905	-	545,099	611,207
Unearned revenue	2	2	2	2	7	8	20	20	4	4	5	4	23	-	63	40
Other liabilities	505	522	566	558	1,641	1,611	4,572	4,522	805	800	1,070	1,060	-	-	9,159	9,073
Total current liabilities	66,673	67,557	74,776	72,102	216,828	208,025	604,257	584,034	106,433	103,422	141,447	136,995	42,397	-	1,252,811	1,172,135
Non-current liabilities																
Unearned revenue	1,113	285	1,249	304	3,621	879	10,091	2,468	1,777	438	2,362	579	-	-	20,213	4,953
Other liabilities	13,621	15,197	15,277	16,220	44,297	46,793	123,447	131,375	21,744	23,264	28,897	30,816	-	-	247,283	263,665
Total non-current liabilities	14,734	15,482	16,526	16,524	47,918	47,672	133,538	133,843	23,521	23,702	31,259	31,395	-	-	267,496	268,618
Total liabilities	81,407	83,039	91,302	88,626	264,746	255,697	737,795	717,877	129,954	127,124	172,706	168,390	42,397	-	1,520,307	1,440,753
Net assets	145,131	214,918	162,766	229,375	471,970	661,762	1,315,283	1,857,944	231,675	328,999	307,890	435,807	456,858	-	3,091,573	3,728,805

Department of Health
Notes to the financial statements
30 June 2014

Note 1. Objectives and strategic priorities of the Department of Health

The Department of Health's vision is *quality healthcare that Queenslanders value*. The department has responsibility for overall system stewardship and management on behalf of the Minister for Health, as well as provision of statewide public health and support services. The 17 Hospital and Health Services (HHSs) are responsible for the delivery of public hospital services and a range of primary and community services.

The role of the department is one of system-wide policy and regulation, planning and service purchasing, supporting system-wide quality and safety, and service innovation. The department also provides a range of governance, corporate and information and communication technology functions, administers major infrastructure programs, and manages the delivery of statewide services such as forensic and scientific services and Telehealth. This is reflected in the department's strategic objectives:

- Healthy Queenslanders—facilitate the integration of health system services that focus on keeping patients, people and communities well.
- Accessible services—ensure access to appropriate health services is simple, equitable and timely for all Queenslanders.
- Safe services—focus healthcare resources on models of care that are patient-centred, safe, effective, economically sustainable and responsive to community needs.
- Value for money—provide value in health services by maximising public investment in multi-sector partnerships in service delivery, health and medical research, infrastructure and assets.
- Governance and innovation—foster a health system that is transparent, accountable and innovative.
- Partnerships and engagement—cultivate a high quality health system through positive engagement and cooperation with our workforce and health system partners.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2(a) Statement of compliance

The financial statements have been prepared in compliance with section 42 of the Financial and Performance Management Standard 2009. These financial statements are general purpose financial statements. These have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities as the department is a not-for-profit entity. In addition, the financial statements comply with Queensland Treasury and Trade's minimum reporting requirements for the year ended 30 June 2014 and other authoritative pronouncements. Except where stated, the historical cost convention is used.

2(b) The reporting entity

The major services undertaken by the department are disclosed in Note 3. The financial statements include the value of all assets, liabilities, equity, revenues and expenses of the department.

The department purchases services from 17 HHSs and the Mater Misericordiae Public Hospital under service agreements. HHSs provide a range of health care activities and operate hospital facilities, community, mental and residential health centres. HHSs were created as separate reporting entities on 1 July 2012. Effective 1 October 2013, the Queensland Ambulance Service (QAS) came within the reporting entity of the department, having transferred as part of a machinery of government change. Refer Note 42.

The Torres Strait-Northern Peninsula Hospital and Health Service was administered by the Director-General, Queensland Health during the 2013–14 financial year. Therefore it is considered to be a controlled entity. Refer Note 52.

2(c) Investment in associate

The associated entities are those entities over which the department has significant influence but no control and are neither subsidiaries nor joint ventures. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. As at 30 June 2014, the department had two associates—Translational Research Institute Pty Ltd and Translational Research Institute Trust. See Notes 22, 26, 27, 35, 37 and 46.

Note 2. Significant accounting policies (continued)

Investments in associates are accounted for using the equity method in accordance with AASB 128 *Investments in Associates.* Under the equity method, investments in associates are carried in the *Statement of financial position* at cost plus post-acquisition changes in the department's share of net assets. The department's share of post-acquisition profits or losses is recognised in the *Statement of profit or loss and other comprehensive income*. Changes in the associates' other comprehensive income are recognised in the department's *Other comprehensive income*. The department's share of income, expenses and equity movements of equity accounted investees are adjusted to align the accounting policies of the investee with those of the department.

At each reporting date, the department determines whether there is objective evidence that the investment in the Translational Research Institute is impaired. If there is such evidence, impairment is calculated as the difference between the recoverable amount and its carrying value and recognised in the *Statement of profit or loss and other comprehensive income*.

When the department transacts with an associate, profits and losses recognised from the transactions with the associate are recognised in the financial statements only to the extent of interests in the associate that are not related to the department.

When the share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the department does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The department holds a 43 per cent shareholding in the Queensland Children's Medical Research Institute (QCMRI). 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.

2(d) Administered transactions and balances

The department administers, but does not control, certain resources on behalf of the 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. These transactions and balances are not significant in comparison to the department's overall financial performance and financial position and are disclosed in Note 49.

Administered borrowings
The department is responsible for the administration of the Mater Hospital redevelopment loan. There is no financial benefit derived from the transactions by the department. The financial risk associated with the public component of the project has been covered by the Queensland Government and is treated as an administered balance. Refer Note 49.

The financial arrangements for funding the public hospital component of the redevelopment of the Mater Hospital were approved by the Treasurer under the *Financial Accountability Act 2009.* These balances are recorded at book value with no interest charged.

2(e) Major departmental services revenue and administered revenue

Appropriations provided under the *Appropriation Act 2013* are recognised as revenue when received or as a receivable when approved by Queensland Treasury and Trade. Amounts appropriated to the department for transfer to other entities in accordance with legislative or other requirements are reported as an administered appropriation item.

2(f) User charges and fees

User charges and fees controlled by the department are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue. User charges and fees are controlled by the department where they can be deployed for the achievement of departmental objectives. User charges and fees controlled by the department comprise of 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 comprises drugs, medical supplies, linen, pathology and other services provided to HHSs.

Note 2. Significant accounting policies (continued)

2(g) Labour recoveries from Hospital and Health Services

The department continues to be the employer for all health service employees—excluding persons appointed as a Health Executive under the *Hospital and Health Boards Act 2011*. Employees are provided by the department to perform work for HHSs under a service agreement. Under this agreement the department recovers all employee expenses and associated on-costs from HHSs. Refer Note 7.

2(h) Grants and other contributions

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the department obtains control over them. This includes amounts received from the Australian Government for programs that have not been fully completed at the end of the financial year. Contributed assets are recognised at their fair value.

2(i) Grants and service procurement expenditure

The department classifies payments as procurement expenditure when the department:
- receives approximately equal value for the payment provided
- directly receives an intended benefit—for example, by acquiring goods or services for the department's own use or use by third parties, or by specifically directing the recipient to deliver specific goods and/or specific services to a third party on the department's behalf.

The department classifies payments as grant expenditure when:
- goods and/or services of approximately equal value are not received by the department—conditions may or may not be attached to the grant but discretion over the usage of the financial assistance (i.e. cash or assets) is maintained by the recipient
- the department voluntarily provides financial assistance to the recipient which is intended to assist the recipient achieve its goals and only to indirectly promote the department's policy objectives.

Payments classified as a grant are non-reciprocal in nature, and procurement expenditure is reciprocal in nature. For grants, the expense is recognised when the obligation for a payment arises, according to the payment terms of the funding agreement. Procurement expenditure is recognised according to the timeframe(s) when the benefits are obtained by the department.

2(j) 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.

Note 2. Significant accounting policies (continued)

2(k) Loans and receivables

Trade debtors
Trade debtors are recognised at their carrying values less any impairment. The recoverability of trade debtors is reviewed on an ongoing basis at an operating unit level. Trade receivables are generally settled within 60 days. Any allowance for impairment is based on loss events disclosed in Note 22. All known bad debts are written off when identified.

Payroll receivables
Payroll receivables are measured at amortised cost and include interim cash payments made to employees and salary overpayments. The department is undertaking a process to recover these debts by working with the individuals affected. Refer Notes 3, 22 and 26.

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. However, an allowance for impairment of $30.4 million (2012–13 $36.7 million) has been recognised in relation to these loans.

Employee loans
The change in pay date transitional loan was measured at fair value on initial recognition, in accordance with AASB 139 *Financial Instruments: Recognition and Measurement.* The fair value has been 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%. 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.

The current portion of payroll receivables and employee loans is the total amount expected to be recovered within the next 12 months. This has been determined by considering historical recovery data, projected turnover—as balances are repayable upon separation—and repayments plans already in place.

Loans are approved by the Treasurer under the *Financial Accountability Act 2009*, as the department does not have the capacity to grant loans to other entities.

Other
Approval was also obtained for a transaction agreement between the department and Telstra for the relocation of the South Brisbane telephone exchange with the development of the Lady Cilento Children's Hospital.

Note 2. Significant accounting policies (continued)

2(l) Inventories

The department controls two inventory distribution centres. Inventories consist mainly of pharmacy and general medical supplies held for distribution to HHSs. Pharmacy supplies are sold to the HHSs including a predetermined mark-up percentage while general medical supplies are provided to the HHSs at cost. Inventories are measured at weighted average cost adjusted for obsolescence, 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.

2(m) Non-current assets classified as held for sale

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next 12 months.

In accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations,* when an asset is classified as held for sale, its value is measured at the lower of the asset's carrying amount and fair value less costs to sell. Any restatement of the asset's value to fair value less costs to sell is a non-recurring valuation. Such assets are no longer amortised or depreciated upon being classified as held for sale.

2(n) Quoted equity shares

The department holds various parcels of shares that are listed on the Australian Stock Exchange which are recognised at fair value through profit and loss. The fair value of the shares is based on the selling prices quoted on 30 June 2014 by the Australian Stock Exchange.

2(o) Property, plant and equipment

Items of property, plant and equipment with a cost or other value equal to or more than certain thresholds and with a useful life of more than one year are recognised at acquisition. The thresholds are:

- buildings (including land improvements)—$10,000
- land—$1
- plant and equipment—$5000

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.

The department revalued commissioned assets in the current year to ensure assets transferred to HHSs at fair value.

Where assets are received for no consideration from another Queensland Government department—whether as a result of a machinery of government change or other involuntary transfer—the acquisition cost is recognised as the gross carrying amount in the books of the transferred entity immediately prior to the transfer together with any accumulated depreciation. 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.

Plant and equipment is measured at cost net of accumulated depreciation and any impairment in accordance with Queensland Treasury and Trade's *Non-Current Asset Policies for the Queensland Public Sector*.

Note 2. Significant accounting policies (continued)

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.

Any expenditure that increases the capacity or service potential of an asset is capitalised and depreciated over the remaining useful life of the asset. Major spares purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the shorter of the estimated useful lives of the improvements or the unexpired period of the lease. The unexpired period of leases includes any option period where exercise of the option is probable.

For buildings the depreciation rate is between 1 per cent and 17 per cent; for plant and equipment the depreciation rate is between 2.5 per cent and 20 per cent. The department's property, plant and equipment assets have no residual value.

Leased property, plant and equipment
One of the leased properties has been sublet by the department. The sublease expires in December 2032. Annual revenue of approximately $3.2 million is expected to be received over the term of the sublease. Operating lease payments, being representative of benefits derived from the leased assets, are recognised as an expense in the period in which they are incurred. The department has one finance lease asset building as at 30 June 2014. Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Finance lease payments received in advance are recorded as liabilities.

The department has a finance lease with the Translational Research Institute Pty Ltd to lease the Translational Research Institute Building. Advanced lease payments for the term of the lease were received during the construction phase of this facility. Refer Notes 22, 27, 35 and 37.

The department is the legal owner of all health service land and buildings. From 1 July 2012, HHSs were granted operational control of land and buildings via deed of lease arrangements. As health service land and buildings are controlled by HHSs, these assets are recognised within the financial statements of each HHS, not within the financial statements of the department. Any revaluation surpluses or decrements associated with these assets are recognised by the HHS.

When HHSs become the legal owners of land and buildings within their area (refer Note 53), this arrangement will cease.

Impairment of non-current assets
All physical non-current and intangible assets are assessed for indicators of impairment on an annual basis in accordance with AASB 136 *Impairment of Assets*. 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.

An impairment loss is recognised immediately in the *Statement of profit or loss and other comprehensive income*, unless the asset is carried at a revalued amount, in which case the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2(p) Revaluation of non-current physical assets

Land and buildings—including land improvements—are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment,* AASB 13 *Fair Value Measurement* and Queensland Treasury and Trade's *Non-Current Asset Policies for the Queensland Public Sector.* Land is measured at fair value each year using independent revaluations, desktop market revaluations or indexation by the State Valuation Service within the Department of Natural Resources and Mines.

Note 2. Significant accounting policies (continued)

Buildings are measured at fair value using either independent revaluation or applying an interim revaluation methodology developed by the independent valuer, Davis Langdon. Assets under construction are reported at cost and are not revalued until they are ready for use. Fair value is determined by appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Refer Note 2(q).

Reflecting the specialised nature of health service buildings, fair value is determined using the depreciated replacement cost methodology. Depreciated replacement cost is determined as the replacement cost less the cost to bring to current standards.

In determining the depreciated replacement cost of each building, the independent valuers consider a number of factors such as size, functionality and physical condition. In assessing the building condition, the following criteria are applied:
- Condition rating 1—very good condition requiring normal maintenance
- Condition rating 2—minor defects only requiring minor maintenance
- Condition rating 3—maintenance required to return to accepted level of service
- Condition rating 4—requires renewal
- Condition rating 5—asset unserviceable.

Early in the reporting period, the department reviewed all fair value methodologies in light of the new principles in AASB 13. Some minor adjustments were made to methodologies to take into account the more exit-oriented approach to fair value under AASB 13, as well as the availability of more observable data for certain assets (e.g. land and buildings). Such adjustments in themselves did not result in a material impact on the values for the affected property, plant and equipment classes.

Revaluation increments are credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds 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.

2(q) 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 (i.e. an exit price) regardless of whether the price is directly derived from observable inputs or estimated using another valuation technique. Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued, and include, but are not limited to, published sales data for land and residential dwellings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the department include, but are not limited to, 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
- 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 40.

Note 2. Significant accounting policies (continued)

2(r) Intangible assets

Intangible assets are only recognised if they satisfy recognition criteria in accordance with AASB 138 *Intangible Assets*. Intangible assets are recorded at cost, which is consideration plus costs incidental to the acquisition, less accumulated amortisation and impairment losses. An intangible asset is recognised only if its cost is equal to or greater than $100,000. 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.

Software is amortised from the time of acquisition or, in respect of internally developed software, from the time the asset is completed and held ready for use. The amortisation rates for the department's software are between 10 per cent and 20 per cent.

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 they cannot be measured reliably.

2(s) Arrangements for the provision of public infrastructure by other entities

The department has entered into a number of contractual arrangements with private sector entities for the construction and operation of public infrastructure facilities for a period of time on land owned by the department, but controlled and recorded as an asset by the respective HHS. After an agreed period of time, ownership of the facilities will pass to the department or the relevant HHS. Arrangements of this type are known as public private partnerships or service concession arrangements. Refer Note 47.

'Economic' public private partnerships involve the delivery and operation of economic infrastructure, whereby the third-party users pay for the use of the infrastructure directly to the operator. These arrangements are not recognised in the financial statements on the basis that the department cannot demonstrate control over the infrastructure asset(s) nor does it receive any future economic benefits from the asset(s) during the service concession period.

'Social' public private partnership arrangements involve the delivery and operation of infrastructure, whereby the department makes a contribution towards the cost of the infrastructure and regular service payments to the operator over the life of the service concession period for use of the infrastructure by the community. These social infrastructure arrangements are recognised in the financial statements and are accounted for in accordance with AASB 117 *Leases*.

The department may receive rights and incur obligations under these arrangements, including rights to receive the facility at the end of the contractual term and rights and obligations to receive and pay cash flows in accordance with the respective contractual arrangements. In some instances, the right to receive cash flows has been transferred to hospital foundations under a deed of assignment. These arrangements have been structured to minimise risk exposure for the public health system.

2(t) Collocation arrangements

The department has entered into a number of contractual arrangements with private sector entities for the construction and operation of private health facilities for a period of time on departmental land. After an agreed period of time, ownership of the facilities will pass to the department or to the relevant HHS.

As with public private partnership type agreements, the department does not recognise these facilities as assets. Current collocation agreements in operation are listed in Note 48.

Note 2. Significant accounting policies (continued)

2(u) Other financial assets

The department has one fixed rate deposit with Queensland Treasury Corporation approved by the Treasurer with known receipts and fixed maturity dates. The department has the ability and intention to continue to hold the investment until maturity as the investment contributes towards the government's objective of promoting high quality health research. Refer Note 28 and 39.

2(v) Trade and other payables

Payables are recognised for amounts to be paid in the future for goods and services received. Trade creditors 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 32.

2(w) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. The department holds financial instruments in the form of cash, call deposits, fixed rate deposits, loans, receivables and payables. The department accounts for its financial instruments in accordance with AASB 139 *Financial Instruments: Recognition and Measurement* and reports instruments under AASB 7 *Financial Instruments: Disclosures*. 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.

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
- fixed rate deposits—held to amortised cost
- quoted equity shares—held at fair value through profit or loss.

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are additionally assessed for impairment on a collective basis. For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Financial assets (excluding cash) and liabilities held by the department are classified as level 3 in the fair value hierarchy. Fair values are derived from data not observable in a market. Other disclosures relating to the measurement and financial risk management of other financial instruments are included in Note 39.

2(x) Employee benefits

The department classifies salaries and wages, rostered days-off, sick leave, annual leave and long service leave levies and employer superannuation contributions as employee benefits in accordance with AASB 119 *Employee Benefits* (Note 12). 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.

Note 2. Significant accounting policies (continued)

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. The provisions for these schemes are reported on a whole-of-government basis pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. 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. Refer Note 33. 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 liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Key management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury and Trade. Refer Note 41 for the key disclosures.

2(y) 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 3.

2(z) 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.

2(aa) 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.

2(bb) 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.

2(cc) Goods and Services Tax (GST) 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. Refer Note 22.

Note 2. Significant accounting policies (continued)

2(dd) Special payments

Special payments include ex-gratia expenditure and other expenditure that the department is not contractually or legally obligated to make to other parties. In compliance with the Financial and Performance Management Standard 2009, the department maintains a register setting out details of all special payments greater than $5000. The total of all special payments—including those of $5000 or less—is disclosed separately within Other Expenses (Note 19). However, descriptions of the nature of special payments are only provided for special payments greater than $5000.

2(ee) 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. Actual results may differ from these estimates. 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:
- user charges—Note 6
- loans and receivables—Notes 22 and 26
- property, plant and equipment—Note 29
- credit risk exposure—Note 39
- contingencies—Note 43
- depreciation—Note 16
- impairment losses—Note 17.

2(ff) Rounding of amounts

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

Amounts in the *Statement of profit or loss and other comprehensive income*, *Statement of financial position*, *Statement of changes in equity* and *Statement of cash flows* have been rounded to the nearest thousand dollars.

Note 2. Significant accounting policies (continued)

2(gg) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been adopted early by the department for the annual reporting period ended 30 June 2014.

The department is not permitted to adopt accounting standards early unless approved by Queensland Treasury and Trade. Accounting standards effective for the first time in the current year did not have a material effect on the reported results or financial position.

The following standard is applicable for the first time in the current reporting period:

AASB 13 *Fair Value Measurement* requires all financial assets to be subsequently measured at amortised cost or fair value. For financial liabilities which are designated as at fair value through profit or loss, the amount of change in fair value that is attributable to changes in the liability's credit risk will be recognised in other comprehensive income. The new requirements apply to all of the department's assets and liabilities—excluding leases—that are measured and/or disclosed at fair value or another measurement based on fair value. The impacts of AASB 13 relate to the fair value measurement methodologies used and financial statement disclosures made in respect of such assets and liabilities. The department reviewed its fair value methodologies—including instructions to valuers, data used and assumptions made—for all items of property, plant and equipment measured at fair value to assess whether those methodologies comply with AASB 13. To the extent that the previous methodologies were not in compliance with AASB 13, valuation methodologies were revised accordingly to be in line with AASB 13. The revised valuation methodologies have not resulted in material differences from the previous methodologies. For more information, refer to Note 2 (o), (p), and (q).

Standards effective for annual periods beginning on or after 1 January 2014:

AASB 10 *Consolidated Financial Statements* redefines the concept of control of another entity, and AASB 2013-8 *Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities* provides further guidance concerning how control is applied within the not-for-profit sector. The department has assessed the nature of its relationships with other entities, including entities that are not currently consolidated, and there are no material changes to the department's financial reporting structure resulting from the introduction of AASB 10 and AASB 2013-8.

AASB 11 *Joint Arrangements* replaces AASB 131 *Interests in Joint Ventures*. The standard requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations and then account for those rights and obligations in accordance with that type of joint arrangement. The department is not engaged in any joint ventures or joint arrangements and therefore this standard will have nil impact.

AASB 12 *Disclosure of Interests in Other Entities* requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows. The only interest in another entity held by the department is an investment in associate. The reporting requirements detailed in this standard do not differ materially from those already applied the department therefore this standard will have nil impact.

Standards effective for annual periods beginning on or after 1 July 2014:

AASB 1055 *Budgetary Reporting* and AASB 2013-1 *Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements*. AASB 1055 sets out budgetary reporting requirements for not-for-profit entities within the general government sector of the Australian Government and state and territory governments and AASB 2013-1 relocates the corresponding budgetary reporting requirements for the whole-of-government and general government sector of the Australian Government and state and territory governments from AASB 1049. This will impact the way the department discloses the original budget, and will require explanations of major variances.

Standards effective for annual periods beginning on or after 1 January 2017:

AASB 9 *Financial Instruments* (December 2010), AASB 2010-7 *Amendments to Australian Accounting Standards* arising from AASB 9 (December 2010), AASB 2012-6 *Amendments to Australian Accounting Standards - Mandatory Effective Date* of AASB 9 and Transitional Disclosures, AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*. The department will be required to reassess the way its financial assets are classified. However, the impact from these standards have not been assessed at this time.

Note 3. Major services, activities and other events

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 2012-2016 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 providing curative, promotive, 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 manager their health condition. This major departmental service predominantly targets the needs of people with long-term conditions that have chronic consequences.

Integrated mental health services
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
Effective 1 October 2013, the Queensland Ambulance Service (QAS) transferred from the former Department of Community Safety to the Department of Health as part of a machinery-of-government change. The QAS 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 QAS will continue to operate under its own corporate identity as the service integrates into the department.

All QAS staff, assets, resources and associated functions transferred to the department as part of this process. Refer Note 42.

The transfer in of the QAS has had a material effect on Note 5 Departmental services revenue, Note 6 User charges, Note 12 Employee expenses, Note 13 Supplies and services, Note 16 Depreciation and amortisation, Note 19 Other expenses, Note 21 Current assets—cash and cash equivalents, Note 22 Current assets—loans and receivables, Note 29 Non-current assets—property, plant and equipment, Note 32 Current liabilities—payables, Note 33 Current liabilities—accrued employee benefits.

Health Reform
On 2 August 2011, the State of Queensland, as a member of the Council of Australian Governments signed the National Health Reform Agreement, committing to major changes in the way that health services in Australia are funded and governed. These changes took effect from 1 July 2012 and included the establishment of 17 HHS as statutory bodies. HHSs are governed by Hospital and Health Boards that are accountable to the local community and the Queensland Parliament for their performance. The department now operates under a purchaser-provider model, with health service delivery purchased from the HHSs.

Further background information is available on the department's web site at: http://health.qld.gov.au/health-reform.

Note 3. Major services, activities and other events (continued)

Payroll improvements
The department continues to operate, maintain and enhance the payroll and rostering environment to improve the pay outcomes for employees in the department and HHSs, reduce the level of fortnightly overpayments and reduce recurrent operational payroll costs.

Initiatives undertaken in 2013–14 include the Workforce Management and Payroll Solutions Upgrade Project. This project upgraded Queensland Health's workforce management and payroll systems to the latest vendor-supported versions and removed redundant system customisations. The upgrade concluded in April 2014.

Overpayments receivables and pay date loan
Included in receivables is an amount of $85.7 million (2012–13 $96.5 million) relating to salary overpayments and interim cash payments—of which $25.7 million is classified as current and $60.0 million is classified as non-current—and pay date loan of $96.9 million (2012–13 $113.2 million) to provide a transitional loan equal to two weeks' net pay—of which $10.7 million is classified as current and $86.2 million is classified as non-current. Refer Notes 22 and 26.

During 2013–14, the department implemented key processes for managing overpayments when they are identified to ensure a quick resolution and to make sure they do not build up the way they have in the past. These key processes include the automated repayments mechanism, the ability for staff to nominate a repayment plan through Payroll Self Service and the authority to recover all outstanding overpayments when an employee ceases working with Queensland Health. Other significant activities undertaken during 2013–14 include the resolution of 18 per cent of the debts owed by former staff through the combination of bulk mail-out activities, individual case management, debt recovery and civil recovery processes. As at 30 June 2014, $24.1 million remains owing from former staff without an agreed repayment plan.

Overpayment recovery increased to $26.2 million in 2013–14 (2012–13 $18.5 million) and the amount of overpayments identified during the year significantly decreased to $15.9 million (2012–13 $22.7 million). A total of 49,863 new repayment plans were agreed with current and former staff (2012–13 9157). As at 30 June 2014 approximately $62.3 million of total overpayments to date have been voluntarily repaid and there is a committed total of $8.2 million still to be repaid by staff with active repayment plans in place.

Between 1 July 2013 and 30 June 2014, 8195 staff (2012–13 approximately 25,000) received a waiver of their overpayment with a value of $308,109 (2012–13: $1.9 million). This includes 7540 staff who received a waiver of loans with a balance of $10 or less in October 2013 at a total value of $33,608.

Note 4. Prior year adjustments

Prior year adjustments
The items below have been treated in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Re-classification of expenses
During the process of acquiring the sites for the new Gold Coast University Hospital and Lady Cilento Children's Hospital, the department made a number of payments connected with the relocation of former land owners and occupants. These payments were capitalised as work in progress in the financial years in which they were incurred—from 2007 to 2013. Upon further review, it has been determined that these payments should have been recorded as expenses. The total value of these payments is $69.1 million (incurred over a seven year period). The above has been corrected retrospectively by reducing the 1 July 2012 opening balances of work in progress and retained surpluses by $68.3 million. The 2013 comparative figures have been adjusted by $0.8 million by reducing work in progress and increasing other expenses.

Capitalisation of pre-approval costs
In 2009, the delivery of the Sunshine Coast University Public Hospital project was deferred following an assessment of the impact of the global financial crisis. A revised business case for the project was approved by government in November 2010. It has been determined that planning and development costs capitalised as work in progress prior to the approval of the revised business case should have been recorded as expenses. The total value of these payments is $33 million and has been corrected retrospectively by reducing the 1 July 2012 opening balances of work in progress and retained surpluses.

Note 4. Prior year adjustments (continued)

Property valuation restatement
The department recognised an adjustment in relation to the 2011–12 external valuation report for a building transferred to South West HHS on 1 July 2012 where the valuer applied an incorrect floor space in the valuation assessment. The square metres of the building were overstated, which resulted in the value of the building being overstated by $4.1 million. This issue was identified by South West HHS during the 2013–14 revaluation program. This has been corrected retrospectively be reducing the 1 July 2012 opening balances of retained surpluses and contributed equity by $4.1 million.

The restatement of the affected notes and line items within the *Statement of profit or loss and other comprehensive income*, *Statement of financial position* and the *Statement of changes in equity* is detailed in the table below.

	Note	Reported 2013 $'000	Adjustments 2013 $'000	Restated 2013 $'000
Statement of profit or loss and other comprehensive income (extract)				
Impairment of capital works in progress	19	42,241	757	42,998
Total other expenses	19	182,202	757	182,959
Total expenses		18,713,299	757	18,714,056
Surplus for the year		14,098	(757)	13,341
Total Comprehensive Income for the year		109,988	(757)	109,231
Statement of financial position (extract)				
Non-current assets				
Work in progress at 1 July 2012	29	2,627,362	(101,362)	2,526,000
Impairment of capital works in progress	29	42,241	(757)	42,998
Work in progress at 30 June 2013	29	3,095,971	(102,119)	2,993,852
Total property, plant and equipment at 30 June 2013	29	3,532,114	(102,119)	3,429,995
Net assets at 30 June 2013		3,830,924	(102,119)	3,728,805
Equity				
Contributed equity		335,593	4,104	339,697
Retained surpluses		3,417,082	(106,223)	3,310,859
Balance at 30 June 2013		3,830,924	(102,119)	3,728,805

Note 4. Prior year adjustments (continued)

	Reported 2013 $'000	Adjustments 2013 $'000	Restated 2013 $'000
Statement of changes in equity (extract)			
Equity			
Contributed equity at 1 July 2012	4,984,169	4,104	4,988,273
Retained surpluses at 1 July 2012	2,450,833	(105,466)	2,345,367
Balance at 1 July 2012	8,379,463	(101,362)	8,278,101
Surplus for the year	14,098	(757)	13,341
Total comprehensive income for the year	109,988	(757)	109,231
Contributed equity at 30 June 2013	335,593	4,104	339,697
Retained surplus at 30 June 2013	3,417,082	(106,223)	3,310,859
Balance at 30 June 2013	3,830,924	(102,119)	3,728,805

Asset revaluation opening balance adjustments made in 2012–13
In the 2012–13 financial statements, adjustments of $77.7 million were made to correct errors noted in prior year external valuation reports for three buildings. In respect of the Cairns and Hinterland HHS (revaluation decrement of $15.4 million) and Metro South HHS (revaluation increment of $94.2 million) adjustments, these were due to incomplete floor plans available at the time of valuation. The South West HHS (revaluation decrement of $1 million) amendment arose from completed work in progress included in the external valuation report. The value of these assets was adjusted prior to transfer at fair value to the relevant HHS on 1 July 2012.

Note 5. Departmental services revenue

	2014 $'000	2013 $'000
Budgeted departmental appropriations revenue	8,109,547	7,725,314
Transfers from other departments	361,127	60,574
Lapsed appropriation revenue for other services	(129,708)	(111,422)
Total appropriation revenue for services receipt	8,340,966	7,674,466
Less: Opening balance appropriation revenue receivable	(111,545)	-
Add: Closing balance appropriation revenue receivables	110,796	111,545
Add: Opening balance appropriation revenue payable	120,452	67,559
Less: Closing balance appropriation revenue payable (Note 18)	(191,814)	(120,452)
Appropriation revenue for services recognised in the *Statement of profit and loss and other comprehensive income*	8,268,855	7,733,117

Budgeted departmental services revenue includes Australian Government contributions of $395.2 million (2012–13 $352.8 million) appropriated through Queensland Treasury and Trade.

Note 5. Departmental services revenue (continued)

	2014 $'000	2013 $'000
Reconciliation of payments from consolidated fund to equity adjustment		
Budgeted equity adjustment appropriation	1,109,633	1,354,981
Transfers from QAS	1,670	-
Lapsed appropriation	(407,428)	(329,263)
Less: Appropriated equity withdrawal payable	(110,681)	-
Add: Appropriated equity injection receivable	41,208	-
Equity adjustment recognised in contributed equity	634,402	1,025,718

Note 6. User charges

	2014 $'000	2013 $'000
Sale of goods and services	1,058,135	1,090,620
Hospital fees	335,941	306,214
Rental income	7,519	4,774
	1,401,595	1,401,608

Note 7. Labour recoveries

	2014 $'000	2013 $'000
Labour recoveries from HHSs	6,764,042	6,693,409

Note 8. Grants and other contributions

	2014 $'000	2013 $'000
Australian Government—other specific purpose recurrent grants*	2,870,448	2,699,793
Other grants	27,446	21,223
Donations inventory**	23,616	12,814
Donations non-current physical assets	3,026	23
Other	1,165	535
	2,925,701	2,734,388

* This includes $2.8 million (2012–13 $2.7 million) of Australian Government funding provided through the National Health Funding Pool under the National Health Reform Agreement.

** Inventory is donated by the Australian Government as part of the Australia-wide vaccinations initiative.

Note 9. Other revenue

	2014 $'000	2013 $'000
Interest	4,749	1,710
Sale proceeds of non-capitalised assets	32	702
Licences and registration charges	3,151	3,136
Recoveries and reimbursements	22,090	10,555
Pay day loan fair value adjustment	1,628	-
Grants returned	2,496	5,005
Other	1,607	7,074
	35,753	28,182

Note 10. Gains on disposals

	2014 $'000	2013 $'000
Gain on sale of property, plant and equipment	901	2,093

Note 11. Share of profit from associates

	2014 $'000	2013 $'000
Share of profit from associates	-	14,147

Note 12. Employee expenses

	2014 $'000	2013 $'000
Wages and salaries	6,041,536	5,722,267
Employer superannuation contributions	630,648	596,739
Annual leave expense	713,574	665,857
Long service leave levy	129,447	122,381
Redundancies	86,808	221,776
Workers' compensation premium	90,435	71,730
Payroll tax	49,246	40,347
Professional development of nurses	34,174	34,663
Other employee related expenses	16,871	6,381
	7,792,739	7,482,141

	2014	2013
Number of employees		
Hospital and Health Services	59,896	57,404
Department of Health State-wide Services	8,595	4,676
Department of Health Corporate	1,829	2,112
	70,320	64,192

The number of employees includes full-time employees and part-time employees measured on a full-time equivalent basis as at 30 June 2014. Key management personnel are reported in Note 41.

Note 13. Supplies and services

	2014 $'000	2013 $'000
Consultants and contractors	157,846	120,691
Electricity and other energy	9,202	5,802
Other travel	7,581	6,910
Water	1,327	759
Building services	8,155	4,461
Computer services	83,475	64,240
Motor vehicles	9,019	2,710
Communications	46,143	42,382
Repairs and maintenance	110,909	72,886
Expenses relating to capital works	82,964	28,510
Ambulance transport levy	3,126	-
Operating lease rentals	62,736	57,109
Queensland Ambulance service charges	10,547	-
Drugs	340,596	335,497
Clinical supplies and services	147,435	131,932
Catering and domestic supplies	7,984	10,224
Other	24,699	22,908
	1,113,744	907,021

Note 14. Health services

	2014 $'000	2013 $'000
Hospital and Health Services	9,138,190	8,916,774
Mater Hospitals	542,194	509,229
National Blood Authority	99,021	80,358
Aeromedical services	74,575	71,900
Ambulance services	17,452	68,877
Other health service providers	15,662	24,253
Community health services	87,733	86,176
Mental health services	66,194	61,387
	10,041,021	9,818,954

The balances for ambulance services includes transactions from 1 July 2013 to 1 October 2013, at which point the Queensland Ambulance Service became part of the department, per the machinery-of-government change. Refer Note 3.

Note 15. Grants and subsidies

	2014 $'000	2013 $'000
Public hospital support services	31,581	20,163
Home, community and rural health services	12,733	19,895
Mental health services	494	341
Medical research programs	26,602	58,849
Other	18,693	3,909
	90,103	103,157

Note 15. Grants and subsidies (continued)

The department revised its definitions of *Grants and subsidies* expenditure and *Service procurement* expenditure during the 2012–13 financial year. A project to review the classification of all departmental funding arrangements was finalised this financial year. As a result of this review, $156.1 million of the 2012–13 grants and subsidies expenditure has been re-classified as *health service* expenditure.

Other grants and subsidies includes $7.2 million of payments to the Mater relating to the construction of the Lady Cilento Children's Hospital and $6.7 million of payments to the National eHealth Transition Authority.

Note 16. Depreciation and amortisation

	2014 $'000	2013 $'000
Buildings	14,274	6,051
Plant and equipment	79,128	59,521
Software purchased	8,917	4,930
Software internally generated	18,963	15,382
	121,282	85,884

Note 17. Impairment losses

Refer Notes 22, 26 and 39 for further detail on impairment losses.

Note 18. Appropriation returned

Appropriation returned for the 2013–14 financial year amounted to $191.8 million (2012–13 $120.5 million). 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 Trade and may become available for re-appropriation as new funding in subsequent years.

Note 19. Other expenses

	2014 $'000	2013 $'000
External audit fees*	1,375	1,200
Other audit fees	638	249
QGIF insurance**	104,829	90,619
Inventory written off	912	4,791
Losses from disposal/transfer of non-current assets	3,779	2,071
Impairment of capital work in progress	89,233	42,998
Losses—public monies	4	1
Pay day loan fair value adjustment	-	17,661
Special payments—ex-gratia payments***	2,814	60
Other legal costs	3,523	3,153
Journals and subscriptions	6,915	6,070
Advertising	12,904	4,755
Impairment of finance lease receivable	-	3,062
Other	6,981	6,269
	233,907	182,959

Note 19. Other expenses (continued)

* Total audit fees relating to the Queensland Audit Office for the 2013–14 financial year are $1.4 million (2012–13 $1.2 million). This balance is inclusive of $0.4 million relating to an engagement to provide assurance on controls at the department in its capacity as a service organisation for HHSs.

** Balance comprises the premium for insurance with the QGIF.

*** During the 2013–14 financial year, the department made three special payments which exceeded $5000. Of these, one was in relation to an insurable event covered by the QGIF and two were for third party legal fees.

Note 20. Share of loss from associates

	2014 $'000	2013 $'000
Share of loss from associates	1,162	-

Note 21. Current assets - cash and cash equivalents

	2014 $'000	2013 $'000
Cash at bank and on hand	(170,634)	(191,517)
24 hour call deposits	12,840	9,730
	(157,794)	(181,787)

The department's 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.

Note 22. Current assets—loans and receivables

	2014 $'000	2013 $'000
Trade receivables *	720,993	581,736
Payroll receivables **	36,523	27,314
	757,516	609,050
Less: Pay day loan fair value adjustment	(2,524)	(384)
Less: Allowance for impairment of receivables	(1,413)	(11,323)
	(3,937)	(11,707)
GST input tax credits receivable	42,522	53,168
GST payable	(1,646)	(1,511)
	40,876	51,657
Finance lease receivable ***	9,159	9,073
Annual leave reimbursements	163,473	142,995
Long service leave reimbursements	28,135	49,295
Advances	7,559	11,977
Appropriation receivable	152,004	111,545
Other	121	139
	1,154,906	974,024

Note 22. Current assets—loans and receivables (continued)

* Includes outstanding amounts of $27.5 million (2012–13 $26.4 million) from the Australian Government Department of Veteran Affairs for patient revenue and $73.4 million (2012–13 $69.5 million) from other state governments for treatment of interstate patients.

** Includes an amount of $25.7 million (2012–13 $16.2 million) relating to salary overpayments and interim cash payments and pay date loan of $10.6 million (2012–13 $11.1 million) to provide a transitional loan equal to two weeks' net pay. Refer Notes 3 and 26 for the disclosure of the non-current balance.

*** Relates to the Translational Research Institute Facility. The department entered into a 30-year finance lease with the Translational Research Institute Facility on 14 November 2012. The total value of the minimum lease payments for this facility is $272.7 million.

Note 23. Current assets—inventories

	2014 $'000	2013 $'000
Medical supplies and drugs	48,309	49,694
Catering and domestic	1,298	1,301
Less: Allowance for impairment	(1,109)	(4,604)
Engineering	1,728	1,573
Other	1,135	783
	51,361	48,747

Note 24. Current assets—classified as held for sale

	2014 $'000	2013 $'000
Land held for sale	14,700	-

Due to the whole-of-government approach to drive better use of government land assets, land at the Sunshine Coast has been identified for sale. The tender process has commenced to locate a buyer for the land, and the sale is expected to be completed in late 2014.

The department has valued the land at fair value per the valuation provided by State Valuation Service as at 30 June 2014.

Assets that are identified for sale that are controlled by HHSs through a deed of lease are transferred back to the department prior to sale. The department recognises that for an asset to be available for immediate sale in its present condition the asset must be free from impediments to sale. The deed of lease arrangement imposes terms that are not usual and customary for the sale of assets. Therefore assets are only classified as held for sale when there is no lease over the assets, and the assets are under the control of the entity (i.e. the department) which can legally sell the assets.

Note 25. Current assets—other assets

	2014 $'000	2013 $'000
Quoted equity shares	254	-
Insurance premium prepayment	104,993	102,548
Other prepayments	25,483	34,973
	130,730	137,521

Note 26. Non-current assets—loans and receivables

	2014 $'000	2013 $'000
Payroll receivables *	146,343	182,381
Less: Pay day loan fair value adjustment	(10,603)	(17,277)
Less: Allowance for impairment of receivables	(33,247)	(26,262)
	102,493	138,842
Loans to other entities	23,055	21,957
Finance lease receivable	247,283	263,665
	372,831	424,464

* Includes $60 million (2012–13 $80.4 million) relating to salary overpayments and interim cash payments and pay date loan of $86.2 million (2012–13 $102 million) to provide a transitional loan equal to two weeks' net pay. Refer Notes 3 and 22 for the disclosure of the current balance.

Past due but not impaired
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 $2.9 million (2012–13 $21.7 million) 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.

Note 27. Non-current assets—investment in associates

	2014 $'000	2013 $'000
Translational Research Institute Trust	82,087	83,339

Refer to Note 46 for further information on interests in associates.

Note 28. Non-current assets—other financial assets

	2014 $'000	2013 $'000
Fixed rate deposit	20,000	20,000

Interest earned from this investment totalled $0.6 million (2012–13 $0.7 million). The interest earned is used for the funding of health research.

Note 29. Non-current assets—property, plant and equipment

	2014 $'000	2013 $'000
Land—at independent valuation	242,090	90,239
Buildings—at independent valuation	776,923	202,180
Less: Accumulated depreciation	(403,675)	(70,488)
	373,248	131,692
Plant and equipment—at cost	665,829	479,598
Less: Accumulated depreciation	(408,897)	(265,386)
	256,932	214,212
Capital works in progress—at cost	1,837,675	2,993,852
	2,709,945	3,429,995

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land $'000	Buildings $'000	Plant and equipment $'000	Capital works in progress $'000	Total $'000
Balance at 1 July 2012	1,084,181	3,861,590	811,661	2,627,362	8,384,794
Prior year adjustments (Note 4)	-	77,723	-	(101,362)	(23,639)
Transfer to HHSs on 1 July 2012	(997,448)	(3,813,041)	(580,234)	(18,839)	(5,409,562)
Classified as held for sale	3,506	449	32,908	1,239,949	1,276,812
Disposals	-	-	(1,501)	-	(1,501)
Write off of capital works in progress	-	-	-	(42,998)	(42,998)
Donations received	-	-	38	-	38
Revaluation increments	-	18,166	-	-	18,166
Transfers between classes	-	1,159	17,169	(18,328)	-
Transfers in/(out)	-	(17)	3,960	(275,800)	(271,857)
Transfer to HHSs	-	(8,287)	(10,259)	(416,132)	(434,678)
Depreciation expense	-	(6,050)	(59,530)	-	(65,580)
Balance at 30 June 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 (Note 42)	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

Note 29. Non-current assets—property, plant and equipment (continued)

Included in the valuation of buildings are six heritage buildings held at gross value of $3.4 million (2012–13 two buildings at gross value of $1.1 million).

Land
In 2013–14, all land was indexed using the appropriate indices sourced from the State Valuation Service. These 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 on 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 restrictions. The extent of the adjustments made varies in significance for each parcel of land. Refer Note 2(q).

The revaluation program resulted in a $2.1 million increment (nil increment/decrement in 2012–13) to the carrying amount of land.

Buildings
An independent revaluation of 51 per cent of the gross value of the building portfolio was performed during 2013–14. For buildings not subject to independent revaluations during 2013–14, an index between 0 and 1 per cent was applied. The buildings valuations for 2013–14 resulted in a net increment to the department's building portfolio of $10.2 million (2012–13 $18.2 million decrement). For more information on how fair value was determined refer to Note 2(q).

The effective date of valuations is 30 June 2014 (2012–13 30 June 2013).

Plant and Equipment
The department has plant and equipment with an original cost of $6.4 million (2012–13 $3.1 million) or 1 per cent (2012–13 1 per cent) 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 and the Lady Cilento Children's Hospital.

For a range of projects, 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 47.

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

Refer to Note 40 for further information on fair value measurement.

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 29. Non-current assets—property, plant and equipment (continued)

Description	Significant unobservable inputs	Unobservable inputs quantitative measures Ranges used in valuations	Unobservable inputs—general effect on fair value measurement
Buildings	Replacement cost estimates	$7500 to $65,900,000	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	10 years to 39 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 $19,383,474	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 2(q).

Use of alternative quantitative values (higher or lower) for each unobservable input that are reasonable in the circumstances as at the revaluation date would not result in material changes in the reported 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.

Note 30. Non-current assets—intangibles

	2014 $'000	2013 $'000
Software purchased—at cost	156,976	151,893
Less: Accumulated amortisation	(103,238)	(94,849)
	53,738	57,044
Software internally generated—at cost	268,882	240,865
Less: Accumulated amortisation	(212,625)	(192,482)
	56,257	48,383
Software work in progress—at cost	121,988	124,434
	231,983	229,861

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Software purchased $'000	Software generated $'000	Software work in progress $'000	Total $'000
Balance at 1 July 2012	11,261	50,940	87,263	149,464
Transfer to HHSs	(3,711)	(527)	(360)	(4,598)
Additions	13,175	2,791	48,745	64,711
Transfers between classes	-	11,213	(11,213)	-
Transfers in/(out)	41,248	(652)	-	40,596
Amortisation expense	(4,930)	(15,382)	-	(20,312)
Balance at 30 June 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 in/(out)	-	(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

The department's Hospital Based Corporate Information System and finance system (FAMMIS) have a total combined original cost of $25.3 million. Both systems have been written down to 0 and are still being used in the provision of services.

Note 31. Non-current assets—other assets

	2014 $'000	2013 $'000
Other prepayments	1,131	3,394

Note 32. Current liabilities—payables

	2014 $'000	2013 $'000
Trade payables	357,473	279,346
Appropriations payable	302,495	120,453
Hospital and Health Service payables	22,009	140,505
Other payables	16,513	11,511
	698,490	551,815

Refer to Note 39 for further information on financial instruments.

Trade payables includes amounts of $56.3 million (2012–13 $57.1 million) owed to other state governments for treatment of interstate patients.

Note 33. Current liabilities—accrued employee benefits

	2014 $'000	2013 $'000
Salaries and wages accrued	203,728	429,264
Other employee entitlements payable	137,097	8,327
Annual leave levy payable	166,793	139,405
Long service leave levy payable	37,481	34,211
	545,099	611,207

Note 34. Current liabilities—unearned revenue

	2014 $'000	2013 $'000
Unearned other revenue	63	40

Note 35. Current liabilities—other liabilities

	2014 $'000	2013 $'000
Finance lease advanced	9,159	9,073

This is the current liability arising from the advanced lease payments received from the Translational Research Institute Trust. Refer Note 37 for the non-current balance.

Note 36. Non-current liabilities—unearned revenue

	2014 $'000	2013 $'000
Unearned other revenue	20,213	4,953

Note 37. Non-current liabilities—other liabilities

	2014 $'000	2013 $'000
Finance lease advanced	247,283	263,665

This is the non-current liability arising from the advanced lease payments received from the Translational Research Institute Trust. Refer Note 35 for the current balance.

Note 38. Equity—asset revaluation surplus

	2014 $'000	2013 $'000
Asset revaluation surplus—land	53,989	52,963
Asset revaluation surplus—buildings	33,308	25,286
	87,297	78,249

Movements in asset revaluation surplus
Movements in each class of surplus during the current and previous financial year are set out below:

	Asset revaluation surplus		
	Land $'000	Buildings $'000	Total $'000
Balance at 1 July 2012	662,098	282,363	944,461
Asset revaluation increment	-	18,166	18,166
Correction of prior year error*	-	77,724	77,724
Transfer to retained earnings**	(609,135)	(352,967)	(962,102)
Balance at 30 June 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

* Correction of prior year error relates to two buildings found to be overvalued through errors in prior year valuations. Control of these buildings was transferred to HHSs in 2012–13 and the resulting revaluation decrement has been transferred to retained surpluses.

** The transfer to retained surplus of $962.1 million recognised in 2012–13 represents the proportion of revaluation surplus attributable to land and buildings transferred to the control of HHSs.

Note 39. Financial instruments

As at the reporting date, the department had the following financial assets and liabilities:

	2014		2013	
Financial Assets	**Weighted average interest rate %**	**Balance $'000**	**Weighted average interest rate %**	**Balance $'000**
Quoted equity shares	-%	254	-%	-
Cash and cash equivalents	-%	(170,634)	-%	(191,517)
24 hour call deposits	3.47%	12,840	4.15%	9,730
Loans and receivables	-%	1,527,737	-%	1,398,488
Fixed rate deposits	2.76%	20,000	3.44%	20,000
Total		1,390,197		1,236,701

	2014 $'000	**2013 $'000**
Financial liabilities		
Payables	698,490	551,815

Financial risk management

The department is exposed to a variety of financial risks—credit risk, liquidity risk and market risk.

Financial risk is managed in accordance with Queensland Government and departmental policies. The department's policies provide written principles for overall risk management and aim to minimise potential adverse effects of risk events on the financial performance of the department.

Credit risk is measured by ageing analysis and cash inflows at risk. Liquidity risk is measured by monitoring of cash flows and by active management of accrual accounts. Market risk is measured by interest rate sensitivity and share market volatility analysis.

Credit risk exposure

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations. The maximum exposure to credit risk at balance date is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment. The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables are not included in the disclosure below. Refer Notes 22 and 26 for further information.

Credit risk is considered minimal given all department deposits are held by the state through Queensland Treasury Corporation. The credit risk exposure to fixed rate deposits is $20 million (2012–13 $20 million).

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.

Impaired financial assets include payroll receivables of $30.4 million (2012–13 $36.7 million).

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 $2.9 million (2012–13 $21.7 million) 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.

Note 39. Financial instruments (continued)

Impairment of receivables
Movements in the allowance for impairment of receivables are as follows:

	2014 $'000	2013 $'000
Opening balance	37,585	59,615
Transfers to HHSs	-	(17,994)
Increase/(decrease) in allowance recognised in operating result	(2,925)	13,486
Receivables written off during the year as uncollectable	-	(17,522)
Closing balance	34,660	37,585

Ageing of financial assets past due but not impaired

2014	Not overdue $'000	Less than 30 days $'000	30-60 days $'000	61-90 days $'000	More than 90 days $'000	Total $'000
Past due but not impaired	0	7,425	1,174	29	10,287	18,915

2013	Not overdue $'000	Less than 30 days $'000	30-60 days $'000	61-90 days $'000	More than 90 days $'000	Total $'000
Past due but not impaired	0	1,021	2,052	760	12,503	16,336

Ageing of impaired financial assets

2014	Not overdue $'000	Less than 30 days $'000	30-60 days $'000	61-90 days $'000	More than 90 days $'000	Total $'000
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

2013	Not overdue $'000	Less than 30 days $'000	30-60 days $'000	61-90 days $'000	More than 90 days $'000	Total $'000
Impaired receivables	40,596	-	44	38	33,528	74,207
Allowance for impairment	(8,525)	-	(44)	(38)	(28,977)	(37,585)
Carrying amount of impaired receivables	32,071	-	-	-	4,551	36,622

Note 39. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the department will not have the resources required at a particular time to meet its obligations to settle its financial liabilities.

The department is exposed to liquidity risk through its trading in the normal course of business. The department aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are available to meet employee and supplier obligations at all times. The department has an approved debt facility of $520.0 million under whole-of-government banking arrangements to manage any short term cash shortfalls. The department does not pay any interest on this facility.

The following tables detail the department's remaining contractual maturity for its financial instrument liabilities. The tables have been prepared based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the *Statement of financial position*.

2014	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	More than 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	698,490	-	-	-	698,490
Total non-derivatives	698,490	-	-	-	698,490

2013	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	More than 5 years $'000	Remaining contractual maturities $'000
Non-derivatives					
Non-interest bearing					
Trade payables	551,815	-	-	-	551,815
Total non-derivatives	551,815	-	-	-	551,815

Details about the financial guarantee contracts are provided in Note 43.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: foreign exchange risk; interest rate risk; and other price risk. The department has interest rate exposure on the 24 hour call deposits and Australian share market volatility risk on its quoted equity shares. There is no interest rate exposure on its cash and fixed rate deposits. The department does not undertake any hedging in relation to interest rate risk. Changes in interest rates have a minimal effect on the operating result of the department. A 10 per cent change in the market value of each share parcel would increase/decrease the fair value of the quoted equity shares of $25,400.

Note 40. Fair value measurement

Categorisation of fair values hierarchy
The following tables detail the department's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- 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 market prices included in level 1) that are observable, either directly or indirectly
- Level 3—represents fair value measurements that are substantially derived from unobservable inputs.

2014	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Assets				
Land	-	242,090	-	242,090
Buildings	-	-	373,248	373,248
Quoted equity shares	254	-	-	254
Total assets	254	242,090	373,248	615,592

There were no transfers between levels during the financial year. Information about the department's property, plant and equipment is disclosed in Note 2 and Note 29.

Note 41. Key management personnel disclosures

Key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the department during 2013–14. Further information on these positions can be found in this report under the section relating to executive management.

Note 41. Key management personnel disclosures (continued)

Name and position of current incumbents	Responsibilities	Contract classification and appointment authority	Appointment date
Director-General, Ian Maynard	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 classification of his role being CEO)	23/09/2013
Deputy Director-General, Health Service and Clinical Innovation Division, Professor Michael Cleary	Lead the development of policy, strategy and clinical workforce development to meet current and future health challenges.	s67 Contract/HES 4 Chief Executive/(*Hospital and Health Boards Act 2011*)	10/05/2010
Deputy Director-General, System Policy and Performance, Philip Davies*	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/(*Hospital and Health Boards Act 2011*)	27/05/2013
Deputy Director-General, System Support Services, Susan Middleditch**	Responsible for the provision of enabling corporate services that allow both the Department and the HHSs to function effectively and deliver essential services, including financial, legal, human resources services, administers the infrastructure program and has oversight of key governance functions.	s67 Contract/HES 4 Chief Executive/(*Hospital and Health Boards Act 2011*)	14/05/2012
Chief Health Officer, Dr Jeannette Young	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/(*Hospital and Health Boards Act 2011*)	14/11/2005
Chief Information Officer, Health Services Information Agency, Raymond Brown	Provide leadership and strategic direction for the provision of information management and information communication technology services to Queensland Health.	s67 Contract/HES 4 Chief Executive/(*Hospital and Health Boards Act 2011*)	02/06/2008
Chief Executive Officer, Health Service Support Agency, Susan Middleditch**	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/(*Hospital and Health Boards Act 2011*)	28/04/2014
Commissioner, Queensland Ambulance Service, Russell Bowles	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)*	1/10/2013***

Note 41. Key management personnel disclosures (continued)

* In addition to performing the duties of the Deputy Director-General, System Policy and Performance role for the duration of the 2013–14 financial year, Philip Davies also undertook the role of Chief Executive Torres Strait–Northern Peninsula HHS from 15 January to 30 June 2014 in a dual capacity
** Susan Middleditch assumed the position of Acting Chief Executive Officer, Health Service Support Agency effective from 28 April 2014 following the departure of Kathleen Byrne
*** Being the date that Queensland Ambulance Service transferred from the former Department of Community Safety to the Department of Health

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 and, for chief executive officers (CEOs), may provide for the provision of at-risk component payments.

For the 2013–14 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—consisting of 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*. 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.
- Redundancy payments 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.
- There were no performance bonuses paid in the 2013–14 financial year.

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.

The remuneration package for the Director-General includes a potential performance payment up to a maximum of $86,812. Eligibility for such a performance payment is conditional on the achievement of objectives that are documented in that position's performance agreement.

Public service CEOs have part of their total remuneration package placed *at-risk* and paid only if they meet or exceed the agreed performance standards. The chief executive performance evaluation process comprises:

- reporting on end of year achievement and self-assessment by each chief executive against their performance agreement/intended outcomes
- analysis by the Commission Chief Executive (Public Service Commission), the Under Treasurer (Queensland Treasury and Trade) and the Director-General (Department of the Premier and Cabinet) of relevant performance data
- a rigorous, independent and objective assessment of CEOs performance at the end of each financial year using, amongst other things, information provided from above two steps—this performance assessment is undertaken by a Chief Executive Performance Evaluation Committee (CEPEC)
- recommendations from the CEPEC to the Premier
- the Premier's ultimate discretion regarding whether the CEO will be paid an at-risk component payment and if so, how much.

As at the date of management certification of these financial statements, the eligibility to a performance payment for the Director-General in respect of the 2013–14 financial year had not yet been confirmed. With respect to the process to determine eligibility, recommendations are yet to be made by the Chief Executive Performance Evaluation Committee to the Premier. Therefore, any performance payment approved will be reported as an expense within 2014–15.

Note 41. Key management personnel disclosures (continued)

2014	Short-term benefits		Post-employment benefits	Long-term benefits	Termination benefits	Total
Name and position	Monetary $'000	Non-monetary $'000	$'000	$'000	$'000	$'000
Director-General, Ian Maynard (from 23 September 2013 to present)	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 present)	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

* Being the date that Queensland Ambulance Service transferred from the former Department of Community Safety to the Department of Health

** In addition to performing the duties of the Deputy Director-General, System Policy and Performance role for the duration of the 2013–14 financial year, Philip Davies also undertook the role of Chief Executive Torres Strait–Northern Peninsula HHS from 15 January to 30 June 2014 in a dual capacity

Note 41. Key management personnel disclosures (continued)

2013	Short-term benefits		Post-employment benefits	Long-term benefits	Termination benefits	Total
Name and position	Monetary $'000	Non-monetary $'000	$'000	$'000	$'000	$'000
Director-General, Dr Anthony O'Connell (from 23 June 2011 to 30 June 2013)	385	28	35	9	-	457
Deputy Director-General, System Support Services, Susan Middleditch (from 14 May 2012 to 30 June 2013)	309	6	36	7	-	358
Deputy Director-General, Health Service and Clinical Innovation Division, Professor Michael Cleary (from 10 May 2010 to 30 June 2013)	375	31	43	9	-	458
Deputy Director-General, System Policy and Performance, Terry Mehan (from 8 November 2008 to 30 June 2013)	405	41	44	8	-	498
Deputy Director-General, System Policy and Performance, Phillip Davies (from 27 May 2013 to 30 June 2013)	12	-	1	-	-	13
Chief Health Officer, Dr Jeanette Young (from 14 November 2005 to 30 June 2013)	474	30	50	10	-	564
Chief Information Officer, Health Services Information Agency, Ray Brown (from 2 June 2008 to 30 June 2013)	286	32	32	6	-	356
Chief Executive Officer, Health Services Support Agency, Kathleen Byrne (from 2 June 2009 to 30 June 2013)	286	15	30	6	-	337

Note 42. Amounts transferred with the Queensland Ambulance Service

	2014 $'000	2013 $'000
The following amounts were transferred to the department from the former Department of Community Safety on 1 October 2013. Refer Note 3.		
Cash and cash equivalents	12,232	-
Receivables	38,674	-
Inventories	4,049	-
Other current assets	10,820	-
Property, plant and equipment	409,270	-
Liabilities	(40,237)	-
Net assets	434,808	-

Expenses and revenues recognised by the former Department of Community Safety for the period 1 July 2013 to 30 September 2013 that were attributed to the QAS each totalled $138 million respectively.

Note 43. Contingencies

(a) Guarantees and undertakings

As at 30 June 2014, the department held the following guarantees and undertakings from third parties. These amounts have not been recognised as assets in the financial statements.

	2014 $'000	2013 $'000
Guarantees	111,149	110,262

(b) Litigation in progress

	2013 cases	Increase cases	Decrease cases	2014 cases
Cases have been filed with the courts as follows:				
Tribunals, commissions and boards	2	-	1	1

Civil litigation is underwritten by the QGIF. The department's liability in this area is limited to an excess per insurance event. Refer Note 2(z). The department's legal advisers and management believe it would be misleading to estimate the final amounts payable (if any) in respect of litigation before the courts at this time. The introduction of the *Personal Injuries Proceedings Act 2002* has resulted in fewer cases appearing before the courts. These matters are usually resolved at the pre-proceedings stage.

As of 30 June 2014, there were 17 claims managed by QGIF, which may never be litigated or result in payment. It is not uncommon for insured claim numbers to fluctuate. The maximum exposure to the department under this policy is $20,000 for each insurable event. The above figures do not include matters that are the responsibility of a HHS. As statutory bodies, such matters are included in individual HHS annual financial statements.

(c) Native title

The Queensland Government Native Title Work Procedures were designed to ensure that native title issues are considered in all of the department's land and natural resource management activities.

All business pertaining to land held by or on behalf of the department must take native title into account before proceeding. Such activities include disposal, acquisition, development, redevelopment, clearing, fencing of real property including the granting of leases, licences or permits. Real property dealings may proceed on department-owned land where native title continues to exist, provided native title holders or claimants receive the necessary procedural rights.

Note 43. Contingencies (continued)

The department undertakes native title assessments over real property when required and is currently negotiating a number of Indigenous Land Use Agreements with native title holders. These agreements will provide trustee leases to validate the tenure of current and future health facilities. During the 2013–14 financial year, the National Title Tribunal reported a total of nine native title claims (2012–13 16 claims).

(d) Other contingencies

The following liabilities are contingent upon future government and management decisions and cannot be estimated with reasonable certainty at balance date:

Major capital projects
In the course of constructing major capital works including the Lady Cilento Children's Hospital, the Gold Coast University Hospital and the Sunshine Coast University Hospital, 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 Gold Coast University Hospital and Sunshine Coast University Hospital (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 44. Commitments for expenditure

	2014 $'000	2013 $'000
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	752,528	1,438,705
One to five years	72,225	588,504
	824,753	2,027,209
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	82,924	87,574
One to five years	132,272	156,073
More than five years	69,840	78,365
	285,036	322,012
Grants and other contributions		
Grants and contribution commitments inclusive of anticipated GST, committed to provide at reporting date, but not recognised in the accounts are payable as follows:		
Within one year	73,371	126,440
One to five years	66,204	53,592
	139,575	180,032
Other commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	268,601	352,291
One to five years	420,322	261,123
More than five years	17,617	-
	706,540	613,414

Note 44. Commitments for expenditure (continued)

Capital commitments includes 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 of Health and the Department of Public Works. These projects have been approved by the Cabinet Budget Review Committee.

Lease commitments include non-cancellable operating leases over properties controlled by HHSs, which are leased through the Department of Housing and Public Works. As legal ownership of health service and buildings progressively transfers to HHSs, the above lease commitments will also transfer to HHSs. Refer Note 53.

The above balances do not include cash flows in respect of the Sunshine Coast University Hospital public private partnership arrangement. Refer Note 47. All of the above figures are nominal and have not been discounted.

Note 45. 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 for stipulated purposes. At 30 June 2014, amounts of $13.1 million (2012–13 $10.1 million) in general trust and $0.004 million (2012–13 $0.01 million) for clinical drug trials are set aside for the specified purposes underlying the contribution.

	2014 $'000	2013 $'000
General trust	13,134	10,132
Clinical drug trials	4	10
	13,138	10,142

Note 46. Interests in associates

The Translational Research Institute Pty Ltd 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 2013 to 30 June 2014. As the company is a non-trading entity, it has not prepared financial statements for the financial year ended 30 June 2014. Refer Notes 2(c) and 27.

The Translational Research Institute 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 trust and equal voting rights. The objectives of the trust are to design, construct and maintain the Translational Research Institute facility and operate and manage the facility to promote medical study, research and education. The trust's annual reporting period is on a calendar year basis. The Translational Research Institute auditors have issued a comfort letter with regards to the revenue and expenditure transactions for the institute for the 12 months to 30 June 2014 and the bank balance at 30 June 2014. Audited financial statements were prepared for the financial year ending 31 December 2013. A set of board endorsed management accounts were prepared for the period 1 July 2013 to 30 June 2014. Refer Notes 2(c) and 27.

As at 30 June 2014, the department's investment in the Translational Research Institute Trust is impaired and an impairment loss of $0.1 million has been recognised in the *Statement of profit or loss and other comprehensive income*. Refer to Note 2(c) for further information.

Name	Principal place of business/ country of incorporation	Ownership interest 2014 %	Ownership interest 2013 %
Translational Research Institute Pty Limited	Brisbane, Queensland Australia	25.00%	25.00%
Translational Research Institute Trust	Brisbane, Queensland Australia	25.00%	25.00%

Note 46. Interests in associates (continued)

Interests in associates are accounted for using the equity method of accounting. The summarised information of the Translational Research Institute Trust is set out below:

Summarised financial information

	2014 $'000	2013 $'000
Current assets	59,241	62,869
Non-current assets	297,009	300,052
Total assets	356,250	362,921
Current liabilities	3,218	6,156
Non-current liabilities	24,678	23,750
Total liabilities	27,896	29,906
Net assets	328,354	333,015
Revenue	22,058	67,007
Expenses	(26,705)	(10,419)
Operating result	(4,647)	56,588
Other comprehensive income	-	-
Total comprehensive income	(4,647)	56,588

Note 47. Arrangements for the provision of public infrastructure by other entities

Public private partnership arrangements operating for all or part of the financial year are as follows. Refer Note 2(s).

Control of future inflows and outflows relating to operational public private partnerships has been assigned to HHSs. Information in respect of these arrangements is disclosed in the financial statements of the relevant HHS. The Sunshine Coast University Hospital public private partnership, which is not yet operational, remains under the control of the department.

Economic public private partnership arrangements

Note that all of the following are build-own-operate-transfer arrangements which are classified as *economic* public private partnership arrangements.

Note 47. Arrangements for the provision of public infrastructure by other entities (continued)

Facility	HHS	Counterparty	Agreement	Date
Butterfield Street car park	Metro North	International Parking Group	25 years	January 1998
Bramston Terrace car park	Children's Health Qld	International Parking Group	25 years	November 1998
The Prince Charles Hospital car park	Metro North	International Parking Group	25 years	November 2000
The Prince Charles Hospital Early Education Centre	Metro North	Queensland Child Care Services Pty Ltd	25 years	April 2007
Townsville Hospital Support Facilities Building and Walkway	Townsville	Trilogy Funds Management Ltd	40 years	April 2002
Childcare centre	Townsville	Trilogy Funds Management Ltd	40 years	September 2004
The Princess Alexandra Hospital Multi Storey car park	Metro South	International Parking Group	25 years	February 2008
Gold Coast University Hospital western car park	Gold Coast	SurePark Pty Ltd	31 years	July 2010

The land where the facilities have been constructed is recognised as departmental land, subject to an operating lease. Neither the land nor the registered leases or agreements to lease were transferred to the HHSs under the transfer notices in 2012. However, under the transfer notices the department granted a deed of lease to each HHS, which enabled the HHS to use their hospital premises including any car parks and other parts of the premises, required the HHS perform the obligations of the department as landlord and enabled the HHS to retain any rent and other payments.

Pending the finalisation of a formal accounting standard for these types of arrangements, the department has not recognised any rights or obligations relating to these facilities other than those associated with land rental and the provision of services under the agreements.

Butterfield Street car park
A $2.5 million up-front payment for rental of land on which the car park has been built was received at the commencement of car park operations in January 1998. Rent of $0.3 million per annum is received from the car park operator up to January 2019, increasing to $0.6 million for the remainder of the lease period. All relevant amounts have been assigned to Royal Brisbane and Women's Hospital Foundation. Department staff are entitled to concessional rates when using the car park.

The Prince Charles Hospital car park
A $1 million up-front payment for rental of land on which the car park has been built was received at the commencement of car park operations in November 2000. This amount is being recognised over the term of the agreement. Rent of $0.1 million per annum is also received from the car park operator. All relevant amounts have been assigned to The Prince Charles Hospital Foundation. Under the agreement, department staff are entitled to concessional rates when using the car park.

The Prince Charles Hospital Early Education Centre
The developer constructed a 150 place early education centre in April 2007 on site at the hospital. The developer operates and maintains the facility at its sole cost and risk. Under the agreement, staff on site are given priority access to child care. Rental Income for 2013–14 is $0.1 million.

Bramston Terrace car park
A $1.3 million upfront payment for rent of land on which the car park has been built was received on commencement of car park operations in November 1998. This amount was fully recognised in the year of receipt. Rent of $1 is paid each year over the term of the agreement and department staff are entitled to concessional rates when using the car park.

Townsville support facilities building, walkway and childcare centre
Under this arrangement, a support facilities building and childcare centre have been constructed on the department's land with a walkway linking the support facilities building to the Townsville Hospital. This facility has been in operation since April 2002. Rental Income for 2013–14 is $0.05 million.

Note 47. Arrangements for the provision of public infrastructure by other entities (continued)

The Princess Alexandra Hospital multi storey car park
The developer has constructed a 1403 space multi storey car park on site at the hospital. Rent of $0.3 million per annum escalated for CPI annually will be received from the car park operator up to February 2033. The developer operates and maintains the facility at its sole cost and risk. Department staff are entitled to concessional rates when using the car park.

Gold Coast University Hospital western car park
SurePark Pty Ltd was appointed on 23 July 2010 to design, construct, finance, and operate the Gold Coast University Hospital western car park for a period of 31 years. The facilities agreement also provides revenue return to the department if in any revenue for any 12 months period exceeds 100 per cent of the base case equity return. There were no upfront payments made to SurePark Pty Ltd.

Social public private partnership arrangements

On 17 July 2012, the department entered into contractual arrangements with Exemplar Health (SCUH) 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 Sunshine Coast University Hospital for a period of 25 years. At the expiry of the 25 years period, the facility will transfer to the department for nil consideration and subsequently to the Sunshine Coast HHS. Construction of the Sunshine Coast University Hospital has commenced and is scheduled for completion in November 2016.

The Sunshine Coast University Hospital public private partnership 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 will be designed, built and operated by Ramsay Health Care.

The department will lease back the Sunshine Coast University Hospital 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 on which the Sunshine Coast University Hospital is being constructed is owned by the department but controlled and recognised as an asset by the Sunshine Coast HHS. Exemplar Health has been granted a licence that gives the consortium the right to enter and operate on the site.

The share of the construction costs contributed by the department will be recognised as an 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 assets will be depreciated over their expected useful life.

The Sunshine Coast University Hospital indicative cash outflows are as follows.

	$'000
Cash outflows expected to be paid:	
Within one year	(357,878)
One year but less than five years	(547,783)
Five years but less than ten years	(396,265)
Later than ten years	(1,873,187)
Total	(3,175,113)

Note 48. Collocation arrangements

Collocation arrangements operating or under development during the financial year are as follows. Refer Note 2(t).

Facility	HHS	Counterparty	Terms of agreement	Commencement date
Caboolture Private Hospital	Metro North	Affinity Health Ltd	25 years	September 1997
Redlands Private Hospital	Metro South	Sister of Mercy	25 years	August 1999
Holy Spirit Northside Private Hospital	Metro North	Holy Spirit Northside Private Hospital Ltd	25 years	July 2001
Gold Coast Private Hospital	Gold Coast	Gold Coast Private Property Pty Ltd	50 years	March 2016*

*Construction commenced October 2013.

Note 49. Administered transactions and balances

Administered transactions and balances are comprised primarily of Health Quality and Complaints Commission and Mater Hospital related transactions.

The Mater Public Hospital redevelopment was completed in June 2008 with funding provided from government borrowings managed as administered transactions.

Office of the Health Ombudsman
On 20 August 2013 the Office of the Health Ombudsman was established under the *Health Ombudsman Act 2013* to operate as the new independent health complaints agency for Queensland. The Office of the Health Ombudsman replaces the Health Quality and Complaints Commission.

The department provided $5.0 million in funding for the establishment of the Office of the Health Ombudsman. From 1 July 2014 net assets of approximately $1.4 million relating the Health Quality and Complaints Commission will be transferred to the Office of the Health Ombudsman. The department does not consider these amounts to materially affect the reported financial position and operating result and has not excluded them from the financial statements.

From 1 July 2014, no transactions will be administered by the department.

HIV Foundation
On 28 November 2013, the HIV Foundation Queensland was established under the *Hospitals Foundation Act 1982* with the purpose of reducing HIV rates in Queensland. The HIV Foundation Queensland replaces the former Ministerial Advisory Committee for HIV/AIDS.

For the period 28 November 2013 to 30 June 2014, $1.7 million in operating costs relating to the foundation are included in the department's financial statements. From 1 July 2014, no transactions will be administered by the department.

These amounts do not materially affect the department's reported financial position and operating result and are not excluded from the financial statements.

Note 49. Administered transactions and balances (continued)

	2014 $'000	2013 $'000
Administered revenues		
Administered item appropriation	31,263	25,725
Taxes, fees and fines	54	76
Total administered revenues	31,317	25,801
Administered expenses		
Grants	25,946	19,784
Borrowing costs	5,317	5,941
Taxes, fees and fines	54	76
Total administered expenses	31,317	25,801
Administered assets		
Current		
Cash	5	5
Receivables	10,723	10,057
Non-current		
Receivables	65,248	75,971
Total administered assets	75,976	86,033
Administered liabilities		
Current		
Payables	5	5
Other financial liabilities	10,723	10,057
Non-current		
Other financial liabilities	65,248	75,971
Total administered liabilities	75,976	86,033

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.

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 2014 was $82.8 million (2012–13 $93.7 million). This represents the value of the debt if the department repaid the debt at 30 June 2014.

An amount of $5.3 million (2012–13 $5.9 million) comprising interest on funds and administration fees from Queensland Treasury Corporation has been recognised as an expense in the reporting period.

Note 50. Reconciliation of payments from consolidated fund to administered revenue

	2014 $'000	2013 $'000
Budgeted appropriation	32,500	25,545
Transfers from (to)/from other headings	(1,237)	180
Administered revenue recognised in Note 49.	31,263	25,725

Note 51. Reconciliation of surplus to net cash from operating activities

	2014 $'000	2013 $'000
Surplus for the year	4,811	13,341
Adjustments for:		
Depreciation and amortisation	121,282	85,892
Write off of non-current assets	89,233	42,998
Net gain on disposal of non-current assets	(901)	(21)
Share of loss/(profit) from investment in associates	1,162	(14,147)
Other non-cash items	(40,547)	21,265
Assets donated revenue—non cash	(26,642)	(23)
Other expenses—non cash depreciation funding	390,099	327,027
Change in operating assets and liabilities:		
Increase in trade and other receivables	(105,652)	(682,968)
Decrease in inventories	1,435	8,358
Decrease/(increase) in prepayments	9,308	(30,740)
Decrease/(increase) in other operating assets	10,566	(179)
(Decrease)/increase in trade and other payables	(119,099)	349,379
Increase in other employee benefits	159,428	205,176
Increase in other operating liabilities	15,283	2,291
Net cash from operating activities	509,766	327,649

Note 52. Controlled entity

On 1 July 2012, 17 HHSs were established as statutory bodies under the *Hospital and Health Boards Act 2011*. The primary function of the HHSs is to deliver frontline health services. As at 30 June 2014, the Torres Strait–Northern Peninsula HHS was administered by the Director-General, Queensland Health. Therefore, it is considered to be controlled by the department under AASB 127 *Consolidated and Separate Financial Statements* . The Torres Strait–Northern Peninsula HHS prepares and publishes separate financial statements which are audited by the Auditor-General of Queensland and tabled in the Queensland Parliament.

Summarised balances and transactions for the financial year ended 30 June 2014 and 30 June 2013 are as follows:

	2014 $'000	2013 $'000
Revenue	81,327	81,577
Expenses	(80,152)	(80,347)
Other comprehensive income	(212)	3,121
Total comprehensive income	963	4,351

	2014 $'000	2013 $'000
Assets	135,481	130,457
Liabilities	(8,816)	(9,880)
Total net assets	126,665	120,577

Note 52. Controlled entity (continued)

The balances and transactions of Torres Strait–Northern Peninsula HHS have not been consolidated in these financial statements as they do not materially affect the reported financial position and operating result. Their exclusion is not considered to influence the economic decisions of users taken on the basis of the financial statements or affect the discharge of accountability by the management or governing body of the entity.

Torres Strait–Northern Peninsula HHS will no longer be controlled by the department effective 1 July 2014. Refer Note 53.

Note 53. Events after the reporting period

Hospital and Health Services to be prescribed as employers
During 2013–14, all staff, except health service chief executives and health executive service employees (working in a HHS), were employed by the Director-General, Queensland Health. In June 2012, amendments were made to the *Hospital and Health Boards Act 2011*, giving Hospital and Health Boards more autonomy by allowing them to become the employer of staff working for their HHS. HHSs were prescribed employers by regulation. The department remains the employer for Australian Taxation Office purposes.

When an HHS is prescribed as an employer, all existing and future staff working for the HHS become its employees. The HHS, not the department, recognises employee expenses in respect of these staff. The Director-General, Queensland Health continues to be responsible for setting terms and conditions of employment, including remuneration and classification structures, and for negotiating enterprise agreements. Payroll receivables (employee loans) continue to be controlled and managed by the department until at least 1 July 2015.

The following HHSs demonstrated their readiness to become employers and were prescribed as employers on 1 July 2014:
- Children's Health Queensland HHS
- Gold Coast HHS
- Metro North HHS
- Metro South HHS
- North West HHS
- Sunshine Coast HHS
- Townsville HHS
- West Moreton HHS.

Remaining HHSs are expected to be prescribed on 1 July 2015.

Senior medical officer and visiting medical officer contracts
Effective 4 August 2014, senior medical officers and visiting medical officers transitioned to individual employment contracts.

Individual contracts mean senior doctors have a direct employment relationship with their HHS and employment terms and conditions tailored to individual or medical specialty circumstances—within a consistent statewide framework.

As a direct employment relationship will be established between contracted medical officers and 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.

Non-contracted senior medical officers and visiting medical officers remain employed under current award arrangements. Where their HHS is not a prescribed employer, they continue to be employed by the department.

Transfer of general purpose housing to the Department of Housing and Public Works
As part of the Government Employee Housing Centralisation Project, management of all non-operational housing transitioned to the Department of Housing and Public Works on 1 January 2014. Legal ownership of housing assets transferred on 1 July 2014. As housing assets are currently controlled by HHSs, this initiative has no impact on the financial statements of the department.

Note 53. Events after the reporting period (continued)

Transfer of legal ownership of health service land and buildings to HHSs
Commencing 1 July 2014, the legal title of health service land and buildings will progressively transfer from the department to HHSs. As HHSs controlled these assets in 2013–14 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 which reside on HHS land are leased back to the department by HHSs.

Legal title transfer is expected to occur within three tranches, according to when both entities have mutual confidence that the respective HHS has the capacity and capability to be effective asset managers.

The proposed tranches are as follows:

Tranche 1—to transfer on 1 July 2014
- Townsville HHS
- Metro South HHS
- Metro North HHS

Tranche 2—expected to transfer in December 2014
- Sunshine Coast HHS
- West Moreton HHS
- Darling Downs HHS
- Gold Coast HHS
- Cairns and Hinterland HHS

Tranche 3—expected to transfer on 1 July 2015
- Wide Bay HHS
- Cape York and Torres HHS
- North West HHS
- Mackay HHS
- Central West HHS
- Central Queensland HHS
- South West HHS
- Children's Health Queensland HHS

Amalgamation of Cape York and Torres Strait–Northern Peninsula Hospital and Health Services
From 1 July 2014, the Cape York HHS and Torres Strait–Northern Peninsula HHS were amalgamated to form a single HHS covering the northernmost regions of the state.

The Torres Strait–Northern Peninsula HHS has been administered by the Director-General, Queensland Health due to difficulties finding suitable candidates to form a Hospital and Health Board. 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. This will ensure local control of health services for the Torres Strait–Northern Peninsula region. As a result, the Torres Strait–Northern Peninsula HHS is no longer controlled by the department from 1 July 2014.

Relocation of Children's Health Queensland to the Lady Cilento Children's Hospital
The Lady Cilento Children's Hospital is scheduled for completion in 2014. Following the completion of the new hospital, Children's Health Queensland HHS will relocate from its current premises at the Royal Children's Hospital at Herston to the new Lady Cilento Children's Hospital premises in South Brisbane.

At the time of preparing the financial statements, a decision regarding the future of the Herston site had not been made. The site continues to be controlled by Children's Health Queensland HHS through a deed of lease with Metro North HHS, the legal owner of the site.

Royal Children's Hospital assets are recognised in the financial statements of Children's Health Queensland HHS.

Note 53. Events after the reporting period (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 was decommissioned and the building and land were transferred from the Gold Coast HHS to the Department of Health.

It is intended that the value of the former Gold Coast Hospital site will be realised through a sale of the cleared land. The costs associated with the demolition of the former Gold Coast Hospital and remediation of the site will be incurred by the Department of State Development, Infrastructure and Planning. At the time of preparing these statements, the anticipated proceeds of sale are not able to be reliably determined and accordingly have not been included in the financial statements.

No other matter or circumstance has arisen since 30 June 2014 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.

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 2014 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 / 14

Dr Michael Cleary
Acting Director-General

29 / 8 / 2014

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 2014, 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 Acting 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

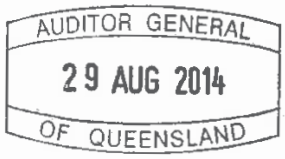
(b) in my opinion –

  (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 2013 to 30 June 2014 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

Department of Health
2013–2014 Annual Report
www.health.qld.gov.au