

## Appendix 5. Health System History

Event	Year	Implications
Queensland - voluntary public hospital scheme	1923	Primarily funded from individual contributions.
Queensland's free public hospital system commenced with hospital board structure.	1946	All Queensland residents had access to 'free' public hospital care. Hospital Board's were tightly controlled centrally particularly around funding and staffing. Strong local ownership of service.
Commonwealth agrees to pay a contribution towards the cost of public hospitals	1946	Commonwealth funding only available where there was no out of pocket costs for patients.
Commonwealth - voluntary private health insurance scheme	1951	Qld rejected the funding offer that represented a move away from the 'free' public hospital system.
Commonwealth - Medibank introduced	1975	First universal tax funded public health insurance scheme for in hospital and out of hospital care.
Commonwealth - Medibank dismantled	1975	Incoming federal government progressively dismantled Medibank moving back to voluntary health insurance.
Workforce - Qld Registered Medical Officers (RMOs) standard week 54 hours plus over time. Different rates for country and metropolitan hospitals	1980	Extra pay for RMOs to work in country areas.
Commonwealth - Medicare	1984	Universal public health insurance scheme where hospital and out of hospital medical care is funded by the Government. Some states moved some specialist outpatient services to Medicare funded services.
Nurse training moved from the Hospital setting to University based training.	1988	Nursing staff no longer inducted to the profession through front line experience.
Workforce - Qld Registered Medical Officers standard week 40 hours plus overtime. Pay levels standardised across state.	1988	40 hour week increases overtime payments and metropolitan hospitals increase the number of RMO positions to offset this – RMO's move to Brisbane to the detriment of country hospitals
Queensland Health active recruitment of overseas trained doctors in response to doctor shortages.	1989	Initially focussed on attracting doctors from United Kingdom and Ireland. Increased competition globally has led to widening the recruitment pool to other countries.
Structure – Qld Health moves to 13 Regional Health Authorities	1991	Hospital Board structure was abolished with the Regional Health Authorities (RHAs) to address significant population growth and lack of cross hospital planning. RHAs were given greater budget autonomy which led to unsustainable finance and human resource models.
Medical school places capped	1991	The implications of this decision would not be felt for 10 to 15 years due to period of time it takes to train fully qualified doctors.
Workforce - The Commonwealth cut GP Training places from 800 to 400	1995	Further attempt to contain the growth in the cost of the Medical Benefits Schedule.
Workforce – Qld offers improved remuneration package to public hospital doctors including cars and private practice options.	1995	This attempted to address part of a significant gap in public and private sector doctor remuneration packages.
Structure – Qld Health introduces 38 Health Service Districts plus the Mater public hospitals	1996	Regional Health Authorities replaced by 38 Districts to better align health services with community needs. District Health Councils included in District structure to provide community representation.
1998-2003 Australian Health Care Agreement (AHCA) Public	1998	The Medicare principles and performance indicators in the Agreement influenced Qld's public hospital service

Event	Year	Implications
Hospital Funding		delivery network and model.
Qld Public Hospital outpatient services eligible for Medicare so long as services were maintained at 1998 levels.	<b>1998</b>	Until this time Qld was providing public specialist outpatient services to a greater extent than other states. The 1998 AHCA allowed public specialists to bill Medicare for these services under certain conditions (level and type no less than 1998 levels and referral to a named specialist).
Commonwealth – Private Health Insurance Reforms designed to increase private health insurance coverage and reduce demand for public hospital services	<b>1998</b>	30% rebate and lifetime health cover policies saw private health insurance coverage increase from around 30% to 46%. There was little impact on public hospital activity.
Qld Health introduces 3 Zonal Management Units	<b>1999</b>	3 Zones were added to the District Structure to reduce the number of direct reports to the General Manager Health Services and support better integration of planning and services.
Access to the Pharmaceutical Benefits Scheme extended to public hospital patients on separation and for non-admitted services and for certain Chemotherapy drugs.	<b>2002</b>	Relieved cost pressure for public hospitals. All non-admitted, discharge and some chemotherapy drugs eligible to be billed to the PBS directly. This program is being rolled out to public hospitals meeting specific criteria.
Commonwealth - 2003-2008 Australian Health Care Agreement (Hospital Funding)	<b>2003</b>	The Agreement threatens financial penalties for non-compliance. More strongly links performance reporting and funding. A less collaborative Agreement that gave the Commonwealth unilateral decision making power in regards to disputes on possible non-compliance. Commonwealth funding offered represents a reduction compared to terms in the previous Agreement.
Commonwealth - Medicare Plus	<b>2004</b>	Response to the steady decline in bulk-billing, providing increased incentives for GPs to bulk-bill concession card holders and the aged. Access to specialist medical services was improved with the Medicare Safety Net where consumers with high out of pocket costs received reimbursement above certain amounts. Specialist fees have increased as a consequence.