



### The year in review

**The reporting period addressed** in this Annual Report, 2004-05, gives an indication of Queensland Health's achievements during the relevant 12 months, in terms of life-saving procedures, new technologies, better services and greater community health outcomes.

As this report shows, the activities of Queensland Health are more far-reaching than providing public hospital services and administering elective surgery waiting lists.

There is a large team of dedicated Queensland Health staff looking after people outside hospital environments, encouraging healthy lifestyles to prevent illness and developing new life-saving procedures that are the envy of other health systems.

The final months of 2004-05, and the months that have followed, have identified many systemic problems through the Morris and Davies commissions of enquiry and the Forster Review of Queensland Health systems.

Significant improvements will be necessary to address our workforce issues, the culture of Queensland Health and the quality of our health services.

At the same time, this department has significant achievements to report for 2004-05.

The purpose of an Annual Report is to provide the Parliament and the community with an

overview of all the work of the department. This report is also an acknowledgement of the many committed staff who work each day with the sick, the elderly, the suffering, and within the health system, both clinically and administratively.

As this report shows, the department deals with an enormous workload.

For example, during the reporting period, Queensland Health on each single day:

- spent \$13.5 million on the public health system;
- delivered 98 babies;
- treated 3443 people in accident and emergency departments;
- cared for 7255 inpatients in hospitals;
- treated 24,074 outpatients;
- conducted 980 day-only hospital procedures;
- saw more than 3000 adults and children in public dental clinics; and
- provided 11,263 hours of respite care in the home environment.

And in the majority of cases, the patient, child, cared-for person or accident victim go home satisfied and thankful for the services provided by Queensland's public health system.

As Queensland Health enters the 2005-06 reporting period, we move into a period of change.

I commend the Queensland Health Annual Report for 2004-05 to the Parliament and people of Queensland.

**Uschi Schreiber**  
Director-General

## Senior executive team



**Dr Steve Buckland** MBBS (Qld), MHA (NSW), DAvMed, FAFOM (RACP), MRACMA, AFCHSE, CHE  
*Director-General*

Dr Steve Buckland commenced as Director-General, Queensland Health, in April 2004. As the organisation's Chief Executive Officer, he was responsible for overseeing the State's \$5 billion health budget.

During the reporting period, Dr Buckland was responsible for overseeing a number of projects specifically aimed at improving the health and living environment of Queenslanders.

In particular, he advocated illness prevention and health promotion as a first step in creating a healthier Queensland. This included initiatives such as the introduction of Australia's toughest anti-smoking laws, closer health-based relationships with Indigenous communities and the opening of the Skills Development Centre.

Corporately, the department led by example by ensuring staff followed a healthier lifestyle through programs such as the Director-General's morning walks and 10,000 Steps which involved more than 15,000 staff State-wide.



**Dr John Scott** MBBS, FRACGP, FAFPHM (RACP)  
*Senior Executive Director, Health Services*

Dr John Scott commenced in the role of Senior Executive Director, Health Services in November 2003 and was responsible for health care services delivered through a network of 202 acute care facilities, 570 non inpatient services including mental health, oral health, community health and pathology services and 20 state Government residential aged care facilities.

The Health Services Directorate delivered on a number of initiatives in 2004/05 including:

- improved access to acute services through increased investment in emergency departments, cardiac, cancer, renal services and elective surgery
- promoting the importance of drawing on the value of different perspectives in planning and priority setting
- an increased focus on disease prevention and health promotion and whole of government role in addressing underlying determinants of health and illness
- informing, supporting and providing health consumers with information and skills to improve, maintain and manage their health by encouraging healthy behaviour and health community environments.

The Health Services Directorate as a team made significant contributions to health care in 2004/05. Health services continued to be delivered in extremely difficult circumstances in some Districts and staff need to be acknowledged for their professionalism and dedication to the delivery of health services to the Queensland community.



**Dr Gerry FitzGerald** MD (Qld), BHA (NSW), FACEM FRACMA FCHSE  
*Chief Health Officer*

Dr FitzGerald was responsible for the provision of advice to the Minister and Director-General on the quality of health services. In addition the CHO licences private health facilities and leads the development of departmental policy in regard to emergency health and research.

During the year the office developed new research policy, developed the State Health Emergency Response Plan framework and redeveloped the paediatric and maternity and perinatal quality councils.

The challenges for the future include the development of new Quality Councils for emergency health, surgery, perioperative death and mental health.

In addition the SHERP framework is to be rolled out with the development of special and support plans and the introduction of a more coordinated approach to major incident responses. The office is also developing a plan for health and medical research for consideration by Government.



**Tony Hayes**, B. Bus. (Acctcy.), Grad. Dip. Exec. Mgmt., M. Admin., FCPA, MACS, MIIA (Aust.), AFCHSE, CHE  
*Senior Executive Director, Resource Management*

Areas of responsibility located within the Resource Management Directorate (RMD), are Capital Works and Asset Management Branch; Finance Branch; Health Services Purchasing and Logistics Branch; Human Resources and Corporate Services Branch; and Shared Services Coordination Unit.

RMD has been through significant changes over the past 12 months particularly in relation to the implementation of reforms within the Shared Service Initiative.

The most significant challenges facing the directorate over the next few years will be to provide support to all areas of Queensland Health particularly in relation to establishing and implementing new service delivery models and approaches. This will see staff from RMD working with key stakeholders to challenge existing policies, systems and processes to ensure that we have the flexibility to service our clients in different ways to achieve the 2020 vision.



**Anne Turner**, BA (Monash)  
*Senior Executive Director, Strategic Policy and Government Liaison*

Anne Turner was appointed Senior Executive Director, Strategic Policy and Government Liaison Directorate in October 2004. She is responsible for the Strategic Policy Branch; Strategic Funding and Investment Branch; Strategic Management Branch; Strategic Partnerships Unit; and Strategic Revenue Unit.

In 2004-05 the directorate achieved some significant milestones including the Queensland Strategy for Chronic Disease, a five year funding framework for Queensland Health and servicing recurrent funding of \$15.7 million, and capital funding of \$235 million over four years.

Other successes included the implementation the balanced scorecard across 38 Health Service Districts and five centralised business areas developing the Queensland whole of government implementation plan for the National Strategic Framework for Aboriginal and Torres Strait Islander Health.



**Dr Mark Waters**, MBBS, FRACMA, FACHSE, FRACGP, Dip RACOG.  
*Senior Executive Director, Innovation and Workforce Reform*

Dr Mark Waters was appointed Senior Executive Director, Innovation and Workforce Reform Directorate in August 2004. The directorate assists Queensland Health to meet current and future challenges in healthcare through a range of improvement activities focussing on patient safety, quality of clinical practice, skills development, innovation, service planning and workforce reform.

Safety and quality initiatives in 2004-5 included implementation of a correct sight surgery program and the support of clinician lead collaboratives in such areas as renal, stroke, diabetes, cardiac and emergency departments. The Skills Development Centre was opened in September 2004.

The directorate delivered innovative staff health programs, including the 10,000 Steps program, involving over 17,000 staff. Queensland Health staff submitted over 500 ideas for service improvements through the ideas capturing system, Innov8, launched in March.



**Sabrina Walsh** B.A., B. Psych, Master Appl Psych, Grad Cert Health Economics, Executive Master of Public Administration  
*Senior Executive Director, Information*

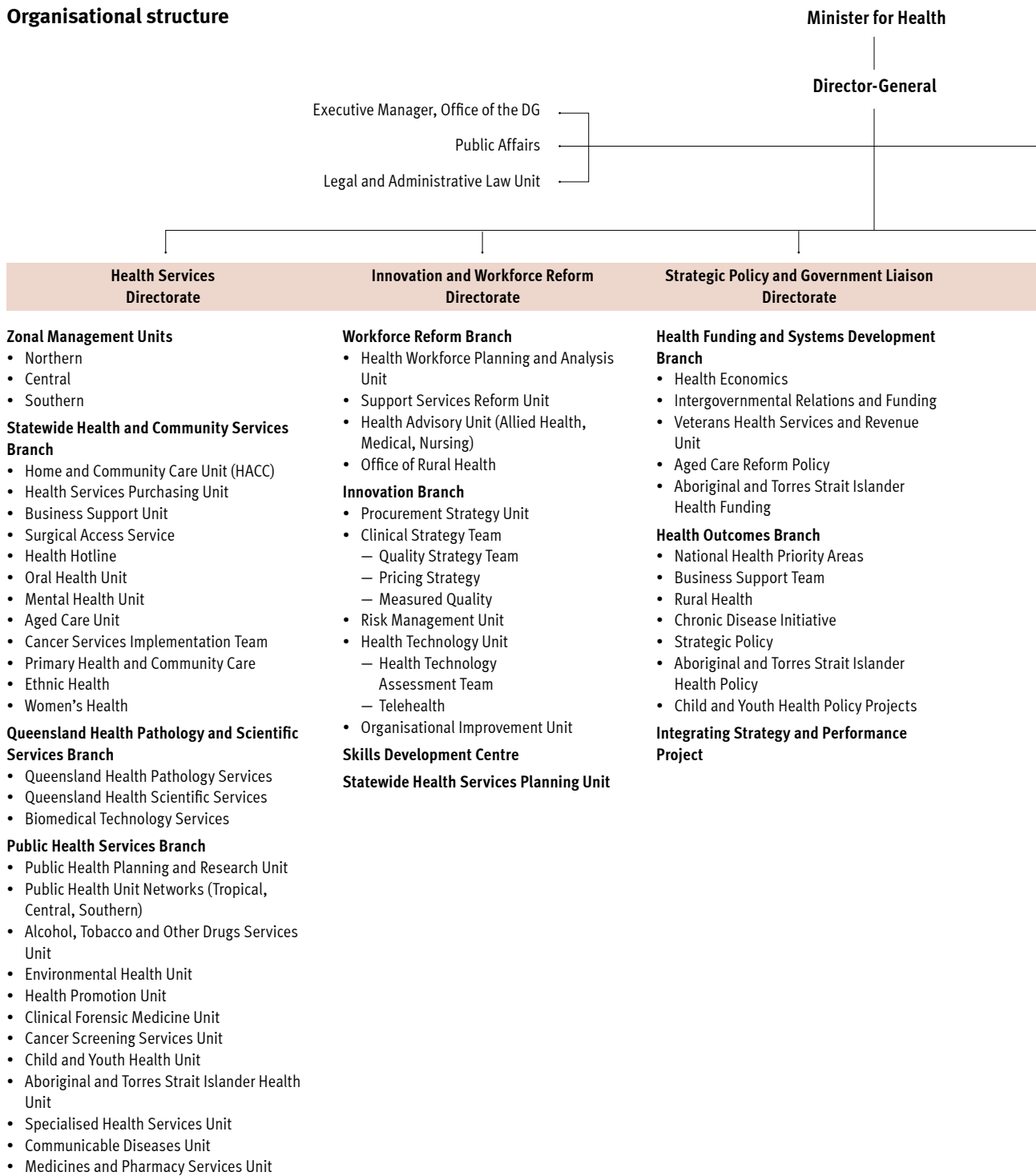
Sabrina Walsh was appointed Senior Executive Director, Information in December 2004. She leads the Information Directorate's contribution to Queensland Health's mission *'Promoting a healthier Queensland'* and leads a significant workforce of IM & ICT professionals to ensure the department has the necessary information resources to deliver Queensland's Health system.

During 2004-05 the directorate implemented a program to integrate all IM and ICT areas under a single point of accountability with a new customer-focused functional model. New governance arrangements for IM and ICT investments were also introduced, including the establishment of the Information Strategy and Investment Board to provide greater accountability for project outcomes.



## 1: Organisation *continued*

### Organisational structure





- Office of the Chief Health Officer
- Chief Nursing Advisor
- Audit and Operational Review Unit
- Child Safety Unit

**Information Directorate**

**Resource Management Directorate\***

**Clinical Informatics Program**

- Emergency Department Information System/ Operating Room Management Information System Project (EDIS/ORMIS)
- Client Directory Information System/Patient Administration System Project (CD/PD)
- Radiology Information System Project (RIS)
- Health Information System Project (HIS)
- Clinical Information System/Patient Administration System Project (CIS/PAS)
- Pharmacy Project
- Community Health Information Management Enterprise Project (CHIME)
- Queensland Health Pharmacy Information System (QHPims)
- Aged Care Evaluation (ACE)
- Queensland Health Pharmacy Information System (QHPims)

**Information Services Branch**

- Information Technology Services Management Unit
- Business Applications Services Unit
- Business Management Unit
- Infrastructure Services Unit
- Development Services Unit
- Customer Services Unit
  - Northern Zone
  - Central Zone
  - Southern Zone

**Health Information Branch**

- Data Services Unit
- Client Services Unit
- Epidemiology Services Unit
- Library Services

**Information Management Branch**

- Electronic Publishing Services
- Information Strategy

**Health Connect Project**

**Finance Branch**

**Health Services Purchasing and Logistics Branch**

**Human Resource and Corporate Services Branch**

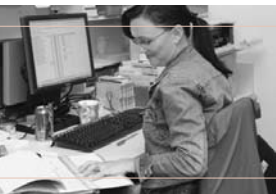
- Human Resource Business Centre
- Corporate HR/IR Policy and Strategy Centre
- Corporate Office Services Unit
- Legislative Projects Unit
- Professional Conduct Review Panel
- HRMIS Unit

**Capital Works and Asset Management Branch**

- Project Coordination Unit (provincial and rural)
- Project Development Unit (south-east Queensland)
- Asset Management Unit
- Technology Policy Unit

**Shared Service Coordination Unit**

\* *The Resource Management Directorate is also the Shared Service Provider, Corporate and Statewide.*



## 1: Organisation *continued*

**Recordkeeping** “*Compliance with the provisions of the Public Records Act 2002 and the Information Standard 40: Recordkeeping*” Queensland Health remains committed to improving recordkeeping practices but is restricted by the limitations of the existing systems and processes.

Queensland Health’s commitment to progress towards compliance with Information Standard 40 is evident in the commencement of the Integrated Document Management Project which is charged with determining the required business infrastructure and implementation strategies for the whole-of-government eDRMS.

The project’s formal documentation is, in effect, Queensland Health’s Operational Recordkeeping Implementation Plan for Administrative Records.

Key deliverables of the project are the development of a Document and Records Management Framework and supporting information management tools including agency specific Retention and Disposal Schedules, Business Classification Scheme and Thesaurus.

The development of these initiatives will create an environment to support the implementation of elements of an eDRMS that will meet the identified business requirements of the department.

Once the framework has been developed, Queensland Health will be in a position to investigate further applications of a consistent and standardised approach to record keeping.

### **Streamlining corporate services**

The Queensland Government Shared Service Initiative is a whole-of-government approach to corporate services delivery. It aims to provide high quality cost-effective corporate services to Queensland State Government departments.

In Queensland Health, corporate services are delivered by two Shared Service Providers (SSP), SSP-Corporate and Statewide and SSP-Districts.

Shared services in Queensland Health encourages innovation, utilising technology and process standardisation to deliver responsive, efficient, high quality corporate services.

Through consolidation and realignment

of service deliver and absorption of growth, Queensland Health SSPs have achieved the required performance returns.

During the full financial year 2004-05 a total of 1,673 full-time equivalent staff delivered services as part of the Queensland Health SSPs at a total expense of \$127,180,000.

During the first full year of operations the Queensland Health SSP’s made significant contributions to whole-of-government shared service solutions initiatives while maintaining service delivery standards.

### **Audit and Operational Review Unit (AORU)**

AORU provides an independent, objective assurance and consulting activity focused on helping Queensland Health address risks. It provides a systematic and disciplined approach to evaluate and improve the effectiveness and efficiency of management controls, risk management practices and corporate governance processes.

AORU uses a risk assessment process to evaluate:

- reliability** of financial and related management information;
- adequacy** and accuracy of accounting and computing systems;
- cost-effectiveness** and efficiency of departmental operations;
- the safeguarding** of assets under the department’s control; and
- levels of compliance** with legislative and statutory requirements.

AORU also liaises with the Crime and Misconduct Commission and conducts investigations on behalf of the Director-General.

### **Audit and Risk Management Committee**

The Audit and Risk Management Committee acts as an advisory body to the Director-General.

It meets quarterly and assists in the effective discharge of legislative and financial management responsibilities, providing independent comment, advice and counsel.

The committee observes the terms of its Charter, with due regard to Queensland Treasury’s Audit Committee Guidelines and is in close liaison with other executive management groups. It consults with the Queensland Audit Office on issues



and proposed annual audit strategies each year.

To maintain independence, committee membership does not include representatives of internal or external audit.

### **Maintaining an ethical workplace**

Ethical behaviour is fundamental to Queensland Health's governance.

In line with the Public Sector Ethics Act 1994, Queensland Health's Code of Conduct sets out guiding principles, obligations and standards to promote an organisational culture of professionalism focused on client service and employee awareness.

In addition, the Queensland Health Financial Management Practice Manual contains further guidance on ethical standards, potential conflicts of interest, confidential information and reportable gifts.

To counter unethical behaviour and to minimise the risks associated with it, during the past year the Audit and Risk Management Unit (AORU) has developed and conducted a state-wide roll-out of ethical awareness information sessions, mainly targeted at middle and line managers. The sessions were delivered in every district across the State, attracting considerable positive feedback.

These sessions deal with the AORU's functions in managing official misconduct, the responsibilities of staff in reporting official misconduct and specific problem behaviours.

### **Official misconduct**

As well as encouraging and maintaining an environment in which professional and ethical behaviour is expected, Queensland Health acts against official misconduct under the Crime and Misconduct Act 2001. The department's internal investigations team includes a seconded Queensland Police Service officer at detective senior-sergeant rank.

The team also investigates suspected misuse of internet and e-mail to maintain ethical standards and reduce pressure on the computer network.

During 2004-05, the unit carried out 171 investigations into matters involving suspected official misconduct and issues of concern to the department that could give rise to disciplinary action. This compared with 183 cases in 2003-2004.

### **Whistleblowers' Protection Act**

The *Whistleblowers' Protection Act 1994* (Qld) provides an avenue of redress for people who suffer a reprisal after lodging a "public interest disclosure" resulting from alleged unlawful, improper or negligent conduct in the public sector.

During the year, 13 public interest disclosures were made to Queensland Health regarding allegations of improper conduct on a wide variety of issues, including alleged assault, theft, fraud and breach of confidentiality.

After investigation, seven of these public interest disclosures were found to be unsubstantiated. On one occasion the subject officer resigned prior to completion of the investigation. Six matters were still under investigation at the time of reporting. This includes alleged medical incompetence at the Bundaberg Hospital, which became the subject of the Morris Commission of Inquiry.

### **Major outcomes**

- The Annual Audit Operational Plan 2004-2005 was completed within budget and on time.
- Assisted Queensland Audit Office in audit of the annual financial statements. The Statements were unqualified.
- Successful delivery of Ethical Awareness Information Sessions around the state.
- The unit received Quality System International Standards Organisation (ISO) 9001:2000 re-certification to 2008
- Gained the Institute of Internal Auditors' quality accreditation under the International Standards for the Professional Practice of Internal Auditing.

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### **How we deliver services**

#### **Our business**

Queensland Health has the State's largest operating budget and payroll, with up to 64,555 staff in clinical and non-clinical roles.

The department's facilities are found as far north as Boigu Island near our border with Papua New Guinea, west to Camooweal near the Northern Territory border and south to Mungindi on the New



## 1: Organisation *continued*

South Wales border.

Our network of care operates through 37 health service districts with 202 acute care facilities, 570 non-inpatient services including mental health, oral health, community health and pathology services and in the reporting period, 20 State Government residential aged care facilities.

A complete list of Queensland Health hospitals and facilities can be found at [http://www.health.qld.gov.au/hospitals/facility\\_list.asp](http://www.health.qld.gov.au/hospitals/facility_list.asp)

As well as treating ill health, injury and disability, Queensland Health staff also help people manage their own health needs and maintain on-going good health.

Our services include child health and school-based programs; aged care and home and community care for frail older people and people with disabilities; oral health; mental health; Indigenous health; and immunisation.

In addition, we fund 781 community, local government, education, church-based and special interest groups to provide the services people need in their own homes and communities.

The Queensland Government Shared Service Initiative is a whole-of-government approach to corporate service delivery. It aims to provide high quality, cost-effective corporate services to Queensland State Government departments.

Our staff processes and vision encourages innovation, utilising technology and process standardisation to deliver responsive, high quality corporate services.

### **Policies, procedures and accountability**

Up-to-date information on Queensland Health's policies and procedures is available to all staff through the department's intranet. On joining Queensland Health, new employees attend induction programs that cover how to access this information.

An updated release of the Queensland Health Financial Management Practice Manual was approved in April 2005 and subsequently published on the department's intranet. This manual was developed in accordance with the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*. The manual details the policies, practices and systems governing the financial, accounting, taxation and internal control requirements of Queensland Health.

Queensland Health maintains systems of

effective delegation of authority in accordance with the Financial Management Standard 1997. These delegations provide departmental officers with the appropriate authority to enable them to perform their duties effectively and in accordance with legislative and policy requirements.

Formal delegations of authority are maintained in relation to a number of business activities, including:

**finance** (eg expenditure, special payments and loss write-off)

**contract** signing (ie committing the State of Queensland)

**procurement** of goods and services (eg authority to install a standing offer)

**real estate** (eg authority to acquire land)

**banking** arrangements (eg cheque signing authorities), and

**human resource** management (eg approval of staff appointments).

Queensland Health is subject to a number of external accountability and reporting measures, including the Annual Report and the Ministerial Portfolio Statements both of which are tabled in Parliament, audit by the Auditor-General, Cabinet Budget Review Committee processes and Parliamentary Estimates Committee hearings.

As a large taxpayer, Queensland Health is also subject to ongoing scrutiny by Queensland Treasury and the Australian Taxation Office. Queensland Health has placed a high priority on meeting its corporate taxation obligations which are regarded as integral to sound corporate governance. During 2004-05, Queensland Health's Finance Branch delivered comprehensive training across the State in relation to the Goods and Services Tax (GST) and Fringe Benefits Tax (FBT) to enable staff to address these requirements.

### **Organisation Reporting and Performance**

Generation of Queensland Health's financial information is sourced from the integrated SAPR/3 finance system. All systems operating within Queensland Health with a financial impact, interface with the SAPR/3 system. Queensland Health has a distributed network of users of the SAPR/3 finance system in all locations throughout the State where finance transactions are processed. This then allows for localised cost centre reporting with subsequent aggregation of information up to the district, zone and corporate levels as required.

The acute public hospital activity data that



are listed by Health Service District in the 2004-05 Queensland Health Annual Report are sourced from the Queensland Health Monthly Activity Collection and the Queensland Hospital Admitted Patient Data Collection. This information is collected at a local level within districts principally for admitted and non-admitted patient activity. Similar to the finance information reporting at a local level and then subsequently at a district, zonal and corporate levels is possible through the aggregation and accumulation of data collected in Queensland Health facilities.

### Office of the Chief Health Officer (CHO)

The Chief Health Officer (CHO) provides strategic and high level advice to the Minister and the Director-General on health issues and matters relating to quality, standards, emergency health services, clinical risk management, as well as ethics and research.

With statutory responsibilities the CHO is also responsible for liaison with tertiary institutions and the medical colleges to provide strategic direction on professional education and the medical workforce needs of Queensland Health.

The Chief Health Officer is a member of the Queensland Institute of Medical Research Council, the Medical Board of Queensland, the National Health and Medical Research Council and advises on relevant matters. The Chief Health Officer and/or delegate participate on the State/Commonwealth Research Issues Forum and provide the secretariat to the Australian Health Minister Advisory Council's Priority Driven Research Program.

### Research and Ethics Unit

In 2004-05, the Research and Ethics Unit, Office of the Chief Health Officer, Queensland Health, working closely with the Department of the Premier and Cabinet and the Department of State Development and Innovation, has been developing and implementing initiatives to encourage a cohesive approach to Queensland's research effort.

This included:

**formation** of the Health and Medical Research Council of Queensland;

**implementation** of new policies and procedures to streamline the management of Queensland Health research to reinvigorate recognition of the value of evidence-based practice

and of health and medical research for improved health service delivery;

**completion** of the *State of Health of the Queensland Population 2004* and a draft version of the *Capability Report of Health and Medical Research in Queensland* to inform the development of a strategic plan for health and medical research in Queensland; and

**development** of a whole-of-Government health and medical research strategic plan for Queensland.

### Clinical Quality Unit (CQU)

This was established to support the CHO in identifying and developing policies and standards and to monitor patient outcomes in terms of those standards, including the conduct of clinical audits, several of which were conducted during 2005.

### Emergency Health Services

Responsibility for coordination of emergency health services also rests with the CHO as the principal liaison point for the State's emergency services and for coordinating the department's advice on emergency health matters.

The Emergency Health Services team is also responsible for the Queensland Health Counter Disaster Plan and assisting with the development of local district plans, as well as providing secretariat support functions for the Queensland Emergency Medical Systems Advisory Committee.

### Mental Health Court Registry

The Office of the Chief Health Officer also has responsibility for the administrative management of the Mental Health Court.





1: Organisation *continued*

**Financial highlights** During 2004-2005, Queensland Health delivered services for each of the five departmental output areas within the limits of its total available revenue.

for 2004-2005 was \$4.983 billion. Of this the State contribution was \$2.747 billion (55%), Australian Government grants were \$1.911 billion (38%), and own sourced revenue was \$0.324 billion (7%).

**How the money was spent**

The services provided by Queensland Health are organised into five outputs. The department's outputs and their relative share are shown in figure 1.

Queensland Health achieved an operating result of \$30.426 million while still delivering on agreed outputs. The surplus is attributed to increased own sourced revenue and additional funding provided by the Australian Government.

**Revenue**

The department's revenue is sourced from three areas:

- grants** from the Australian Government
- the State contribution**
- own** sourced revenue generated from user charges, donations, grants from non-Commonwealth sources and other revenue.

Figure 2 details the extent of these funding sources for 2004-2005.

Queensland Health's final operating revenues

**Expenses**

Total expenses – including borrowing costs were \$4.953 billion, averaging at \$13.569 million a day to provide public health services, an increase of \$196 million or 4 per cent from last year.

Most of the increase in expenses has been incurred in:

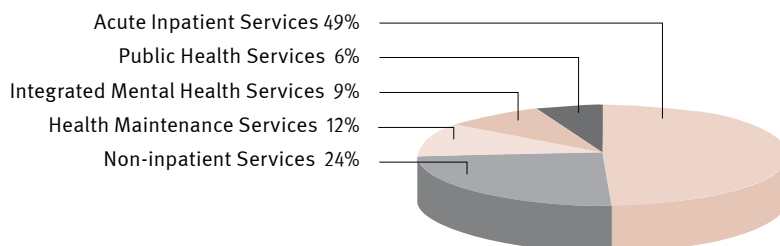
- employee expenses** – which reflects the impact of staffing and salary increases under the current enterprise bargaining agreement;
- supplies and services** – following trends over previous years; and
- grants and subsidies** – reflecting increased funding to non government organisations for the delivery of health services.

The level of Employee Expenses and Supplies and Services reflects the full year effect of Queensland Health Shared Service Provider operations – 2003-04 reflected a part year effect.

**Capital Investment**

Total acquisitions of \$314 million were made on rebuilding and maintaining the level of health infrastructure – averaging \$0.861 million per day.

Figure 1  
Expense by output, 2004-05





### Queensland Health Shared Service Provider

Queensland Health Shared Service Provider (QHSSP) commenced operations from 1 December 2003, under the Queensland Government's Shared Service Initiative, to provide a standard suite of corporate services to Queensland Health along with additional agreed services. QHSSP is staffed by Queensland Health employees and reports with separate financial statements that are consolidated as part of the Queensland Health entity.

Figure 2  
Revenue by funding source

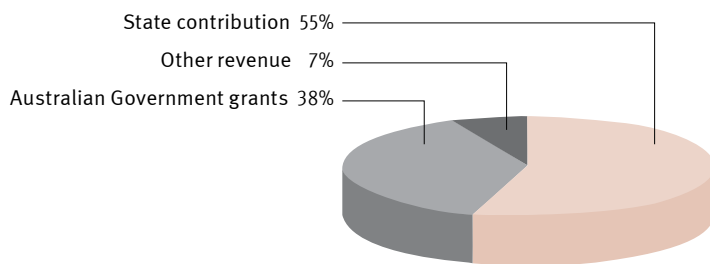


Figure 3  
Expense two year comparison

