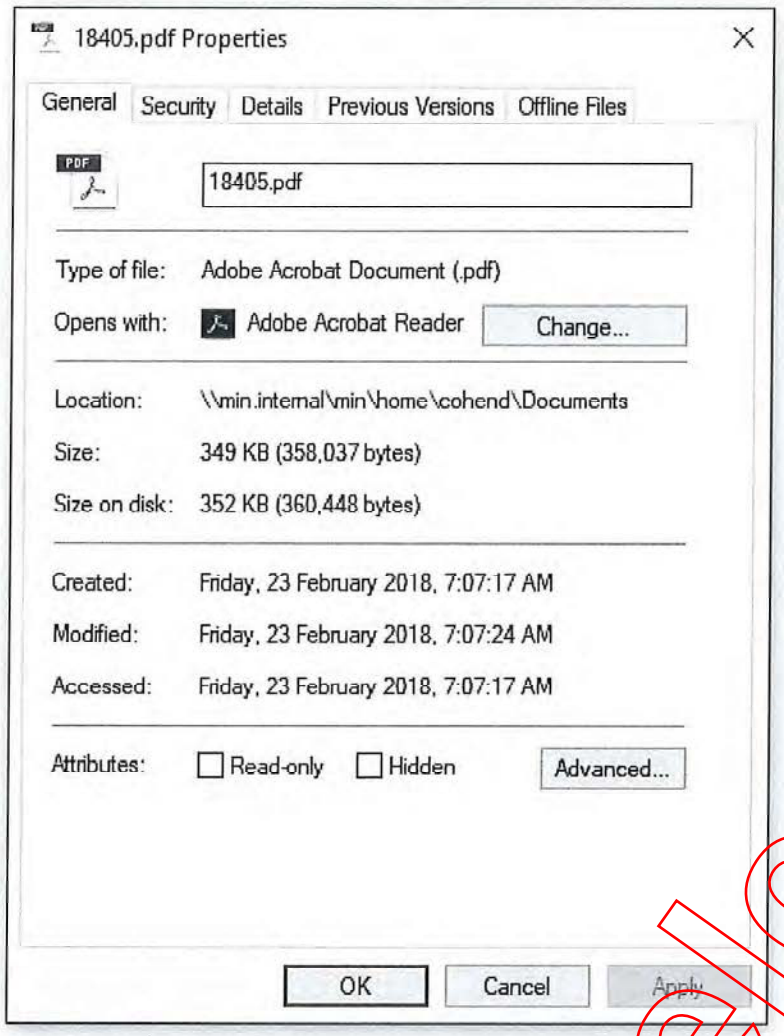
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RTI Release

Hon Steven Miles MP
Minister for Health and
Minister for Ambulance Services

Queensland Government

1 William Street Brisbane Qld 4000
GPO Box 48 Brisbane
Queensland 4001 Australia
Telephone +61 7 3035 6100
Facsimile +61 7 3220 6231

C-ECTF-18/405

13 February 2018

Ms Deb Frecklington MP
Leader of the Opposition
PO Box 1158
KINGAROY QLD 4610

Email: nanango@parliament.qld.gov.au

Dear Ms Frecklington

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RTI Release

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I call on you to raise this issue with your federal LNP colleagues to ensure that Queenslanders receive the funding they are rightfully owed. Our state needs urgent action from the Commonwealth Government to fix this shortfall and ensure Queensland patients receive the world-class healthcare they deserve.

Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

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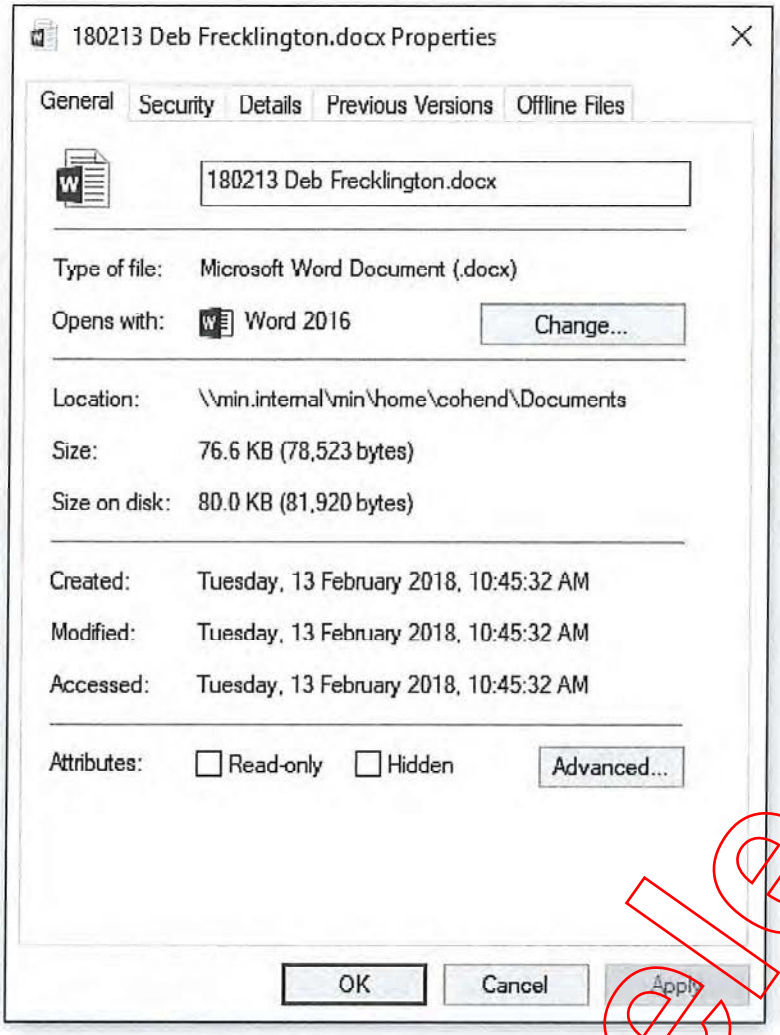
RTI Release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RTI Release

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Minister for Ambulance Services

Queensland Government

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C-ECTF-18/405

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Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

Enclosed: Copy of letter to The Honourable Greg Hunt MP, Minister for Health and Minister for Sport, dated 22 December 2017

RTI Release

Queensland Government

Hon Steven Miles MP
Minister for Health and
Minister for Ambulance Services

1 William Street Brisbane Qld 4000
GPO Box 48 Brisbane
Queensland 4001 Australia
Telephone +61 7 3035 6100
Facsimile +61 7 3220 6231

C-ECTF-17/9114

The Honourable Greg Hunt MP
Minister for Health and Minister for Sport
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

22 DEC 2017

Dear Minister Greg

I am writing to express my concern that outstanding issues relating to national health reform payments for 2015-16 were not resolved in the 2017-18 Mid-Year Economic and Fiscal Outlook (MYEFO).

As you would be aware, the Administrator of the National Health Funding Pool wrote to the Commonwealth Treasurer on 18 April 2017, advising him of annual reconciliation outcomes for 2015-16. The letter advised that Commonwealth national health reform funding due to Queensland for services delivered in 2015-16 was $3,676.8 million.

However, the Commonwealth Treasurer has still not acted on this advice and made a determination of 2015-16 Commonwealth national health reform funding. To date Queensland has only received $3,538.4 million for services delivered in 2015-16, a shortfall of $138.4 million compared to the advice from the Administrator.

The Administrator's letter of 18 April 2017 also advised that Queensland was owed an additional $29.8 million for services delivered in 2014-15. This amount has also not been paid.

To make matters worse, the amount of funding for 2015-16 influences the funding for 2016-17 and future years. Hence the shortfall in 2015-16 has also affected the amount of national health reform funding cash flowed to Queensland for both 2016-17 and 2017-18. When the period 2014-15 to 2017-18 is considered, the Commonwealth funding shortfall could be as much as $979 million.

This situation is creating major challenges for health service delivery. First, Queensland is owed over $168 million for services delivered in 2014-15 and 2015-16 in good faith on the assumption that the Commonwealth would honour its commitments under the National Health Reform Agreement (NHRA).

Second, this environment makes it extremely difficult if not impossible to make accurate projections of national health reform funding for 2017-18 and subsequent years. This is impacting on the level of funding that the Department can provide to Hospital and Health Services (HHSs) through service agreements, and affects the ability to maintain performance standards across the system. With negotiations for 2018-19 service agreements due to commence in early 2018, it is critical that the funding situation be resolved as a matter of urgency.

RTI Release

The failure of the Commonwealth to act on the Administrator's advice in a timely manner also undermines the credibility of the Commonwealth's public hospital funding model.

A key objective of the NHRA was to improve the transparency of public hospital funding. The NHRA established a number of independent national bodies to administer the funding model in an objective, impartial and transparent manner. In particular:

- The Independent Hospital Pricing Authority (IHPA) was established as an independent government agency to develop the national Activity Based Funding model and National Efficient Price Determination.
- The Administrator of the National Health Funding Pool is an independent statutory office holder established under legislation of the Commonwealth and State and Territory Governments to administer the payment of funds to public hospitals in accordance with the NHRA.

It was envisaged that the national bodies would operate within the framework established through the NHRA and the *National Health Reform Act 2011 (Cth)* to ensure that the calculation of national health reform funding is undertaken by independent national bodies in consultation with all jurisdictions. This is critical to enable States and Territories to effectively plan their health service delivery, and to purchase services from Local Hospital Networks, in a stable and predictable environment.

The actions of the Commonwealth have seriously undermined this objective and called into question the ability of the Commonwealth to negotiate and implement health funding agreements in good faith. This has serious implications for the next National Healthcare Agreement to operate from 2020-21, with negotiations scheduled to conclude by late 2018.

I therefore call on you to ensure that the Commonwealth accepts the Administrator's 2015-16 reconciliation and pays the amounts owing to Queensland as a matter of urgency.

On another issue, the Commonwealth has adopted most of the recommendations made by the Medicare Benefits Schedule (MBS) review taskforce around the use of urgent after-hours primary care services.

As Medical Deputising Services will only be able to use the urgent after-hours Medicare Benefits Schedule (MBS) items in restricted circumstances, it is highly likely that the availability of after-hours primary care services will decrease. This, in turn, can be expected to lead to an increase in emergency department presentations. A report prepared by Deloitte Access Economics suggested that around 30 per cent of patients would present to emergency departments if they could not access Medical Deputising Services, putting further pressure on already over-stretched emergency departments.

This represents another example of cost-shifting from the Commonwealth to the States and Territories. It is critical that the Commonwealth effectively discharge its policy and funding responsibility for primary care services and ensure the availability of services that meet community needs, including critical after-hours services.

RTI Release

I look forward to your reply on these important matters.

Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

RTI Release

Danielle Cohen

From: Danielle Cohen
Sent: Monday, 12 February 2018 9:23 PM
To: Steven Miles
Subject: Letter to Deb Frecklington

Here is text for letter to Deb Frecklington – will arrange it to be sent as soon as you are happy with it:

Dear Ms Frecklington

I am writing to alert you to outstanding issues relating to national health reform payments for 2015-16. These issues were not resolved in the 2017-18 Mid-Year Economic and Fiscal Outlook released on 18 December 2017 and are now critical.

The Administrator of the National Health Funding Pool wrote to the Commonwealth Treasurer on 18 April 2017, advising him of annual reconciliation outcomes for 2015-16. However, the Commonwealth Treasurer has still not acted on this advice and made a determination of 2015-16 Commonwealth national health funding.

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I wrote to The Honourable Greg Hunt MP, Commonwealth Minister for Health and Minister for Sport, on 22 December 2017 and I have enclosed a copy of the letter for your information. The Commonwealth Government is yet to indicate when or how it intends to resolve this funding shortfall.

Across the system, the shortfall in Commonwealth funding is putting at risk nearly 200,000 surgeries and other procedures. It could mean up to 622 fewer doctors and 2168 fewer nurses that can be employed in Queensland hospitals in the future.

I call on you to raise this issue with your federal LNP colleagues to ensure that Queenslanders receive the funding they are rightfully owed. Our state needs urgent action from the Commonwealth Government to fix this shortfall and ensure Queensland patients receive the world-class healthcare they deserve.

Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

RTI Page

Danielle Cohen
Chief of Staff
Office of the Hon Steven Miles
Minister for Health and Minister for Ambulance Services
s73 - Irrelevant information
1 William Street Brisbane QLD 4000
GPO Box 48 Brisbane QLD 4001

Queensland Government

RTI Release

Danielle Cohen

From: Danielle Cohen
Sent: Tuesday, 13 February 2018 10:48 AM
To: Steven Miles
Subject: RE: Letter to Deb Frecklington

I'm talking to Evan about it. I've asked him to suss out who else needs to approve it at that end

From: Steven Miles
Sent: Tuesday, 13 February 2018 9:12 AM
To: Danielle Cohen <Danielle.Cohen@ministerial.qld.gov.au>
Subject: Re: Letter to Deb Frecklington

Have you let prems know we are doing I?

Change this par:

I wrote to The Honourable Greg Hunt MP, Commonwealth Minister for Health and Minister for Sport, on 22 December 2017 and I have enclosed a copy of the letter for your information. Unfortunately Mr Hunt has not responded.

Sent from my iPhone

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Ycah thanks

Sent from my iPhone

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RTI Release

Lisa Scanlan

From: Health
Sent: Friday, 23 February 2018 10:33 AM
To: reception@opposition.qld.gov.au
Subject: Letter from Hon Steven Miles MP
Attachments: 18405.pdf; 179114.pdf

Dear Ms Frecklington

Please find attached a copy of the correspondence requested by your office.

Kind regards

Queensland Government

Office of the Hon Steven Miles MP
Minister for Health and Minister for Ambulance Services
T 07 3035 6100 E health@ministerial.qld.gov.au
1 William Street Brisbane QLD 4000
PO Box 48, Brisbane QLD 4001

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DOH-DL 17/18-035

RTI Page No. 15

Hon Steven Miles MP
Minister for Health and
Minister for Ambulance Services

Queensland Government

1 William Street Brisbane Qld 4000
GPO Box 48 Brisbane
Queensland 4001 Australia
Telephone +61 7 3035 6100
Facsimile +61 7 3220 6231

C-ECTF-18/405

13 February 2018

Ms Deb Frecklington MP
Leader of the Opposition
PO Box 1158
KINGAROY QLD 4610

Email: nanango@parliament.qld.gov.au

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Minister for Health and
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1 William Street Brisbane Qld 4000
GPO Box 48 Brisbane
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Telephone +61 7 3035 6100
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C-ECTF-17/9114

The Honourable Greg Hunt MP
Minister for Health and Minister for Sport
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600

22 DEC 2017

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RTI Release

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I therefore call on you to ensure that the Commonwealth accepts the Administrator's 2015-16 reconciliation and pays the amounts owing to Queensland as a matter of urgency.

On another issue, the Commonwealth has adopted most of the recommendations made by the Medicare Benefits Schedule (MBS) review taskforce around the use of urgent after-hours primary care services.

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RTI Release

I look forward to your reply on these important matters.

Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

RTI Release

Prepared by:	Paul McGuire Senior Director Funding Strategy and Intergovernmental Policy s73 - Irrelevant information 18 December 2017
Cleared by:	Kathleen Forrester Deputy Director-General Strategy Policy and Planning s73 - Irrelevant information 18 December 2017

RTI Release

RECEIVED
DATE 19/1 BY

19 JAN 2018

Ministerial Brief for Approval

RM folder reference No	C-ECTF-18/405
Division/HHS:	SPP
File Ref No:	

SUBJECT: **Letter to Ms Rosslyn Bates MP regarding outstanding issues relating to national health reform funding**

Recommendation

It is recommended the Minister:

1. **Sign** the attached letter to Ms Rosslyn Bates MP, the Shadow Minister for Health and Ambulance Services (Attachment 1), expressing concerns in relation to outstanding issues relating to national health reform payments for 2015-16, which were not resolved in the Commonwealth 2017-18 Mid-Year Economic and Fiscal Outlook (MYEFO).

APPROVED / NOT APPROVED **PLEASE DISCUSS**

Steven Miles MP **Date:** / /
Minister for Health and Minister for Ambulance Services

SIGN HERE

Ministerial Office comments

Issue

1. The projections in Mid-Year Economic and Fiscal Outlook (MYEFO), released by the Commonwealth Government were affected by the fact that the Commonwealth Treasurer has not yet made a determination of national health reform funding for 2015-16.
2. This presents a significant risk as Queensland is currently owed over $168 million for services delivered in 2014-15 and 2015-16. The amount of funding for 2015-16 forms the base for 2016-17 and future years. Hence the shortfall in 2015-16 has also affected the amount of national health reform funding cash flowed to Queensland for both 2016-17 and 2017-18. When the period 2014-15 to 2017-18 is considered, the Commonwealth funding shortfall could be as much as $979 million.
3. A letter was sent to the Commonwealth Minister for Health on 22 December 2017, following the release of the MYEFO, which called for the Commonwealth Government to accept the National Health Funding Pool Administrator's 2015-16 reconciliation and pay the amounts owing to Queensland as a matter of urgency
4. The letter at Attachment 1 alerts the Shadow Minister for Health and Ambulance Services to the lack of 2015-16 reconciliation and provides a copy of the letter sent to Minister Hunt (Attachment 1.1). It also call on the Shadow Minister to raise this issue with the Commonwealth to ensure that Queensland will have a fair share of funding and that Queensland patients continue to receive the best possible care.

MWalsh

Michael Walsh
Director-General
19 / 1 / 2018

RTI Release

RM folder reference No :	**C-ECTF-18/405**
Division/HHS:	**SPP**
File Ref No:	

Author	Cleared by: (SD/Dir)	Content verified by: (CEO/DDG/Div Head)
Kati Virtaal	Paul McGuire	Kathleen Forrester
A/Manager	Senior Director	Deputy Director-General
Funding Strategy and Intergovernmental Policy Branch	Funding Strategy and Intergovernmental Policy Branch	Strategy, Policy and Planning Division
s73 - Irrelevant information		
15 January 2018	15 January 2018	15 January 2018

RTI Release

Queensland Government

Hon Steven Miles MP
Minister for Health and
Minister for Ambulance Services

1 William Street Brisbane Qld 4000
GPO Box 48 Brisbane
Queensland 4001 Australia
Telephone +61 7 3035 6100
Facsimile +61 7 3220 6231

C-ECTF-18/405

Ms Ros Bates MP
Member for Mudgeeraba
PO Box 897
MUDGEERABA QLD 4213

Email: Mudgeeraba@parliament.qld.gov.au

Dear Ms Bates

I am writing to alert you to outstanding issues relating to national health reform payments for 2015-16. These issues were not resolved in the 2017-18 Mid-Year Economic and Fiscal Outlook released on 18 December 2017 and are now critical.

The Administrator of the National Health Funding Pool wrote to the Commonwealth Treasurer on 18 April 2017, advising him of annual reconciliation outcomes for 2015-16. However, the Commonwealth Treasurer has still not acted on this advice and made a determination of 2015-16 Commonwealth national health reform funding.

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The failure of the Commonwealth to act on the Administrator's advice in a timely manner also Impacts on the credibility of the Commonwealth's public hospital funding model. The National Health Reform Agreement 2011 established a number of independent national bodies to administer the funding model in an objective, impartial and transparent manner, and the actions of the Commonwealth have seriously undermined this model.

RTI Release

I wrote to The Honourable Greg Hunt MP, Commonwealth Minister for Health and Minister for Sport, on 22 December 2017 and I have enclosed a copy of the letter for your information. I call on you to raise this issue with your Commonwealth colleagues to ensure that Queensland ~~will have a~~ fair ~~share of funding~~ and that Queensland patients ~~continue to~~ receive the best possible care.

Yours sincerely

STEVEN MILES MP
Minister for Health
Minister for Ambulance Services

Enclosed: Copy of letter to The Honourable Greg Hunt MP, Minister for Health and Minister for Sport, dated 22 December 2017

RTI Release