

Health Employment Directive No. 02/15

Effective Date:
23/11/2015

Supersedes:
n/a

Senior medical officers: Special remuneration arrangements

1. Compliance

Compliance with this Health Employment Directive (HED) is mandatory.

2. Purpose

The purpose of this HED is to:

- outline the remuneration framework for Queensland Health senior medical officers (SMOs) transitioning from employment contracts to the Medical Officers (Queensland Health) Certified Agreement (No. 4) 2015 (MOCA 4);
- establish the governance requirements for annualised remuneration, on call standby and over-award payment arrangements applicable to SMOs.

3. Legislative Provision

Section 51A of the *Hospital and Health Boards Act 2011* (the Act)

4. Application

This HED applies to:

- all SMO employees engaged under the Act
- the Department of Health (the Department)
- Prescribed and non-prescribed Hospital and Health Services (HHSs).

5. Related documents

- Medical Officers (Queensland Health) Certified Agreement (No. 4) 2015 (MOCA 4)
- Medical Officers (Queensland Health) Award – State 2015 (the Award)
- *Hospital and Health Boards Act 2011 (Qld)*
- Remuneration governance framework for senior medical officers (Attachment 1)
- Business case for over-award payment arrangement for a senior medical officer (Attachment 2)

Directive:

6. Consistency

All HHSs and the Department must:

- Adhere to the Remuneration governance framework for senior medical officers (attached at Attachment 1).
- Complete the standard “Business case for over-award payment arrangement for a senior medical officer” (attached at Attachment 2) when seeking approval for an over-award payment arrangement

for an SMO, clearly documenting the rationale/evidence as to why the payment is essential and must demonstrate that alternative solutions were explored.

On commencement of MOCA 4, a SMO's employment details, as defined by the Act, remain unchanged.

7. Definitions

Act	<i>Hospital and Health Boards Act 2011</i>
Award	Medical Officers' (Queensland Health) Award - State 2015
Department of Health (the Department)	The Department of Health includes: <ul style="list-style-type: none"> • Clinical Excellence Division • Corporate Services Division • Healthcare Purchasing and System Performance Division • Strategy, Policy and Planning Division • Chief Health Officer and Prevention Division • Office of the Director-General • Health Support Queensland • eHealth Queensland • any successor agency of those listed above however so named.
Hospital and Health Service (HHS)	A statutory body established under the <i>Hospital and Health Boards Act 2011</i> responsible for the provision of public sector health services for a geographical area, which includes one or more health facilities.
SMO Employment Contract	A continuing contract within the meaning of the <i>Industrial Relations Act 1999</i> , section 854A(1), under which a senior medical officer is engaged;
MOCA 4	Means the Medical Officers' (Queensland Health) Certified Agreement (No. 4) 2015.
Prescribed HHS	A HHS that is prescribed by Regulation under s.20(4) of the <i>Hospital and Health Boards Act 2011</i> to employ other health service employees.
Over-Award Payment Arrangement	Means any remuneration that exceeds or is not required to be paid under an applicable industrial instrument.
Senior medical officer (SMO)	A registered medical practitioner employed in: <ol style="list-style-type: none"> 1. any position in a classification level L13 (C1-1 only) to L29 under clause 2.3.2 of the Medical Officers (Queensland Health) Certified Agreement (No. 4) 2015 (MOCA 4) 2. any position classified and remunerated as a Medical Officer with Private Practice, Medical Superintendent with Private Practice or Senior Medical Superintendent with Private Practice.

8. History

HED No. 02/15 10/11/2015	Issued under section 51A of the <i>Hospital and Health Boards Act 2011</i> as a condition of employment for health service employees.
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9. Approval and implementation

Directive custodian

Chief Human Resources Officer

Approval by Chief Executive

Michael Walsh

Director-General

Approval date

10/11/2015

Remuneration Governance Framework for Senior Medical Officers

November 2015

Remuneration Governance Framework for Senior Medical Officers

Published by the State of Queensland (Queensland Health) 2015

Approved by the Director-General on 10/11/2015



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Introduction

This document, being an attachment to Health Employment Directive (HED) No. 02/15 Senior Medical Officers: Special Remuneration Arrangements, outlines the remuneration framework for Queensland Health senior medical officers (SMOs) transitioning from employment contracts to the Medical Officers' (Queensland Health) Certified Agreement (No.4) 2015 (MOCA 4) and also establishes the governance requirements for annualised remuneration, on call standby and Over-Award Payment Arrangements applicable to SMOs.

When the framework is amended, consultation will occur, when required, on the revised or new framework only.

Base salary, standard benefits and penalties are provided under the Medical Officers (Queensland Health) Award - State 2015 (the award) and MOCA 4. The provision of any remuneration benefits not contained in these documents, or the framework are not permitted without the approval of the Director-General.

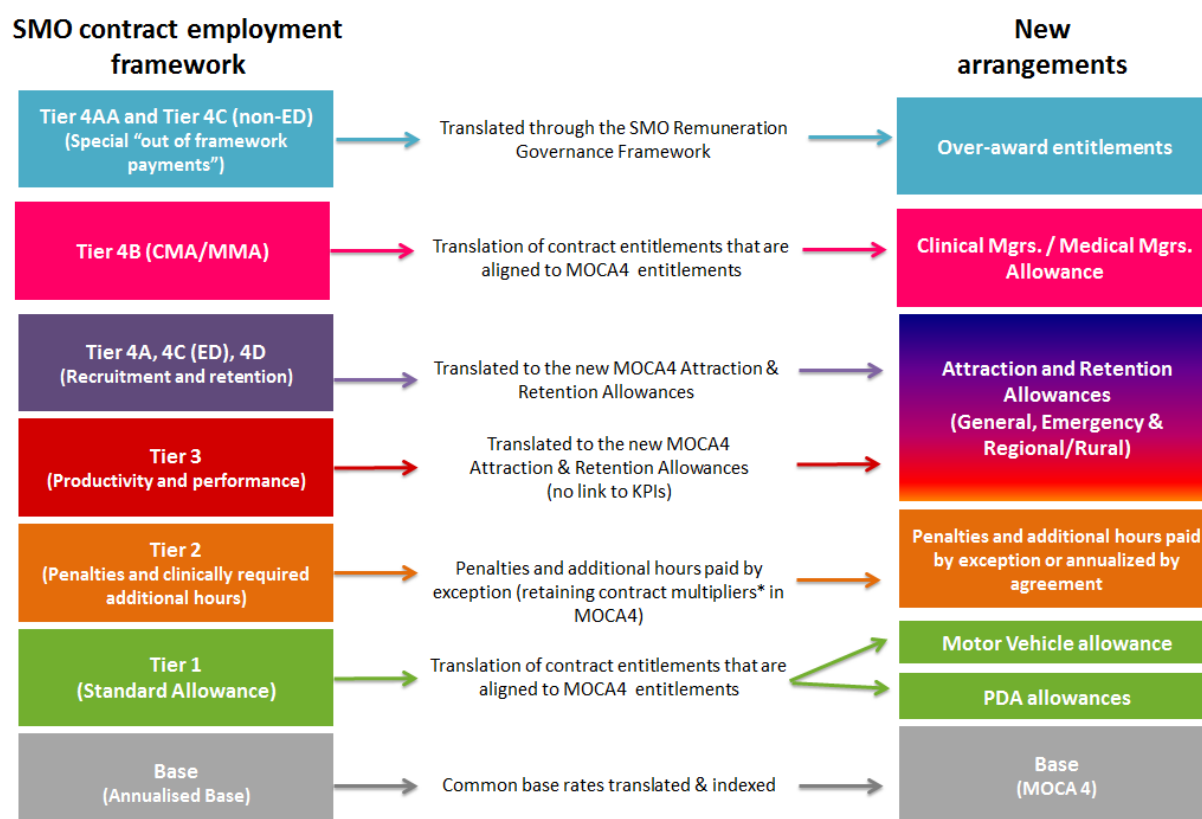
Terms used in this Attachment are defined in the substantive HED 02/15.

1. Transitioning from medical contracts to MOCA4

In June 2015, the high-income guarantee (employment) contract provisions were removed from the *Industrial Relations Act 1999* and *Hospital and Health Boards Act 2011*. In summary, these changes established the platform for the introduction of a new certified agreement (MOCA 4) for SMOs.

Upon certification of MOCA 4, SMO employment contracts will cease to operate and all SMOs will be covered by MOCA 4, the award and this framework.

At a summary level, remuneration translates as follows:



*Note: Public Holiday multiplier has been increased from 100% (contract framework) to 116% (new arrangements)
Refer to MOCA4 and the Award for more detailed information on remuneration.

Figure 1: Remuneration translation

1.1 Base

Base salary amounts are contained in MOCA 4.

Payment of base rate salary levels other than at those rates set out in the classification structure (SMO levels 13 to 29, and medical superintendents and medical officers with private practice) is not permitted.

1.2 Standard allowances

Professional development and motor vehicle allowances are payable in accordance with MOCA 4.

1.3 Clinically required additional hours

Remuneration for clinically required additional hours such as overtime, recall, on call and penalties for work in the extended span of ordinary hours are payable in accordance with MOCA 4. Recall and public holiday payments will be paid as worked (i.e. by exception) and will be processed based on the roster and adjustments to the roster via the Medical Attendance Variation and Allowance Claim form (MedAVAC). Payment of overtime, on call and/or shift work penalty entitlements will also be paid as worked, unless a SMO nominates in writing to have those entitlements annualised and paid fortnightly.

SMOs wishing to commence or maintain existing annualised overtime, on call and/or shift work will need to make an election to do so by completing the standard SMO Annualisation Form. Refer to section 2 of this framework for more information.

Note: Recall and public holiday penalties cannot be annualised.

1.4 Attraction and Retention allowances

Attraction and Retention allowances are payable to SMOs who meet the relevant criteria as detailed in MOCA 4.

1.5 Out of framework payments

In the transition from the Medical Officers (Queensland Health) Certified Agreement (No. 3) 2012 to high-income guarantee (employment) contracts, some SMOs negotiated additional remuneration arrangements within Remuneration Tiers 3 and 4. In transitioning to MOCA4, SMOs entitled to these amounts will continue to be paid subject to the terms and conditions (i.e. review/expiry date) specified in the SMO's employment contract.

New applications or extensions of existing arrangements must be progressed in accordance with section 3 of this framework.

2. Annualised remuneration

Payment of overtime, on call and/or shift work penalty entitlements will be paid as worked, unless a SMO nominates in writing to have those entitlements annualised and paid fortnightly.

2.1 Process

Under clause 4.5 of MOCA 4, an SMO can elect to annualise overtime, on-call and penalties related to shift work under agreement with their employer rather than submitting regular roster changes and MedAVAC forms. If an SMO nominates to annualise penalties, the SMO must make this nomination in writing using the standard Queensland Health SMO Annualisation Form. If the SMO and their employer agree to annualise payments, the standard SMO Annualisation Form is to be signed by both the SMO and the Health Service Chief Executive or the Director-General (or approved delegate), detailing the components and value of remuneration to be annualised.

The purpose of annualisation is to reduce administrative burdens, therefore, changes to annualisation arrangements can only occur annually (effective from the commencement of the first pay period each financial year), or upon a significant change to the individual SMO's work requirements, or within the three month "cooling off period" as detailed in MOCA 4 clause 4.5.

Annualisation is not to be used as a method for "topping up" remuneration. For over-award remuneration options refer to the *over-award payment arrangements* section of this document. Note: Recall and public holiday penalties cannot be annualised.

A process flow for annualised remuneration is illustrated in the below diagram:

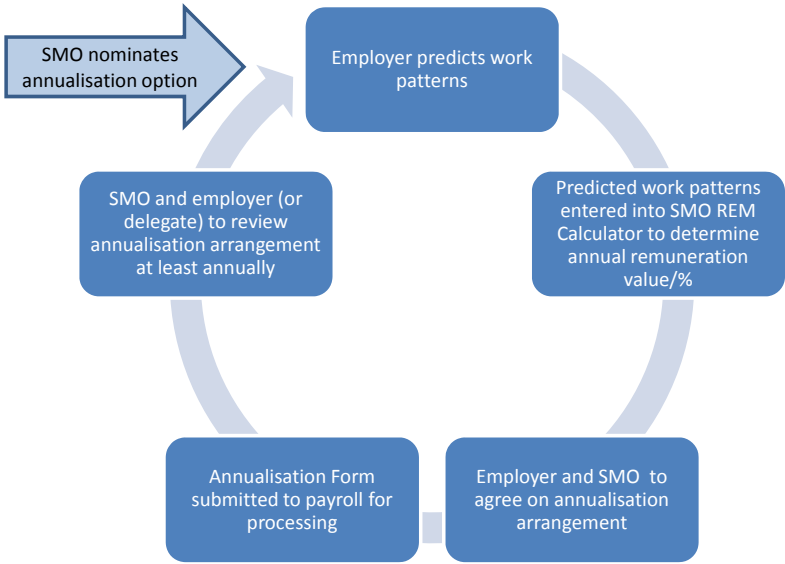


Figure 2: Remuneration Annualisation Process

2.2 Calculating Annualisation Percentages

It is intended that the value of the annualised penalties be reflective of planned work patterns for the period of annualisation that fairly represent the expected amount of overtime, on-call and penalties related to shift work that an individual is anticipated to perform.

It is recommended that the *Queensland Health Senior Medical Officer Remuneration Calculator* is used as a guide to determine the annualised percentage of salary recorded on the Annualisation Form. In determining the annualisation percentages note the following:

- Annualised payments are not paid during periods of leave
- Re-call and public holiday penalty payments cannot be annualised under any circumstance
- If an employee nominates to annualise under MOCA 4 the employee must annualise on call and penalty payments related to shift work. The employee may also elect to annualise overtime in this circumstance.

3. Over-Award Payment Arrangements

It is acknowledged that, in limited circumstances, over-award payment arrangements may be required to recruit and retain highly specialised/unique skills or in areas experiencing a clinical workforce shortage.

Time limited (for up to 12 months) allowances for the above mentioned purposes can be approved under this framework.

Any such provision is to be reviewed at the expiry date of the arrangement and may be continued (if agreed between the parties) with the appropriate approvals in response to ongoing skills retention or workforce capacity issues. In providing this allowance, chief executives (CEs) must complete and authorise the standard “Business case for over-award payment arrangement for a senior medical officer” (Attachment 2 of HED No. 02/15) and retain a copy of this document in relevant local personnel files. Payroll will process payment once this document is completed, authorised by the relevant delegate and a copy submitted to payroll for processing.

The Director-General, under section 66(4) of the Hospital and Health Boards Act, has approved the following limited additional remuneration options under strict governance arrangements and eligibility criteria.

Rural & Remote (12 months or less)	
Condition	Approval
<p>In addition to amounts payable under clause 4.14.2 of MOCA 4, an Over-Award Payment Arrangement of up to 5% of base salary, available only if employed by the following HHSs:</p> <ul style="list-style-type: none"> • Cape and Torres • Cairns and Hinterland • Central Qld • Central West • South West • North West • Mackay • Darling Downs • Townsville • Wide Bay • Department of Health (DoH) - when located in one of the above HHSs 	<p>HHS CEs and relevant DoH Divisional heads (i.e. Deputy Directors-General and CEs) (for DoH employees employed in a Division) are permitted to approve an allowance of up to 5% of base salary for a fixed term (up to 12 months).</p> <p>The decision to approve (or extend) over-award payment arrangement must be supported with documented rationale/evidence as to why the payment is essential and must demonstrate that alternative solutions were explored by completing the standard “Business case for over-award payment arrangement for a senior medical officer” and keeping a copy of this document on relevant personnel files.</p>

Speciality Recruitment (12 months or less)

Condition	Approval
<p>The speciality recruitment incentive is available to HHSs and DoH Divisions to attract new specialists or retain existing specialist staff that are critical to or enhance the capability of the service to deliver its service requirements to the community if:</p> <ul style="list-style-type: none"> • the proposed arrangement does not exceed 12 months at a time • the proposed arrangement does not exceed 25% of base salary; or • HHS CE or head of the relevant DoH division has not already approved (or extended) one (1) SMO over-award payment arrangement in the same specialty in the HHS or Division within that six month period. 	<p>HHS CEs and relevant DoH Divisional heads (i.e. Deputy Directors-General and CEs) are permitted to approve an allowance of up to 25% of base salary for a fixed term (up to 12 months). Approval (or extension) of this arrangement is limited to one (1) SMO per specialty by HHS/DoH Division within that six month period.</p> <p>The decision to approve (or extend) payment must be supported with documented rationale/ evidence as to why the payment is essential and must demonstrate that alternative solutions were explored by completing the standard “Business case for over-award payment arrangement for a senior medical officer” and keeping a copy of this document on relevant personnel files.</p>

Speciality Recruitment (greater than 12 months)

Condition	Approval
<p>Arrangements:</p> <ul style="list-style-type: none"> • that are proposed to exceed 12 months at a time • that are proposed to exceed 25% of base salary; or • where the HHS CE or head of the relevant Department Division have already approved (or extended) one (1) SMO over-award payment arrangement in the same specialty in the HHS or Division within that six month period. 	<p>In making a submission to the Director-General for consideration, HHS CEs and heads of DoH Divisions must provide the following:</p> <ul style="list-style-type: none"> • Brief for Director-General Approval • Completed standard “Business case for over-award payment arrangement for a senior medical officer”.

4. Standby allowance multipliers

The operational details of on call standby is contained within HR Policy C23 (QH-POL-235) – Senior medical officers – Terms and conditions, which may be updated from time to time.

SMOs who agree to be rostered for on call standby will be paid using the following multiplier rates:

- hourly base rate x 4.52 for each 24 hour period (or part thereof) on call standby (Monday to Saturday inclusive)
- hourly base rate x 6.76 for each Sunday (or part thereof) on call standby.

Business Case for Over-Award Payment Arrangement for a Senior Medical Officer

Business Case for over-award payment arrangement for a senior medical officer

Published by the State of Queensland (Queensland Health) 2015

Approved by the Director-General on 10/11/2015



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Introduction

It is acknowledged that in limited circumstances, above award/certified agreement payments may be required to recruit and retain highly specialised/unique skills or in areas experiencing a clinical workforce shortage.

The Director-General, under Section 66(4) of the *Hospital and Health Boards Act 2011*, has approved the following limited additional remuneration options under strict governance arrangements and eligibility criteria. In accordance with the *Remuneration Governance Framework for Senior Medical Officers* (SMOs), employers have the ability to approve time limited (up to 12 months) allowances for the above mentioned purpose.

Any such provision is to be reviewed at the anniversary date and may be continued in response to ongoing skill retention or workforce capacity issues. In providing this allowance/s, chief executives must complete and authorise the standard “Business case for over-award payment arrangement for a senior medical officer” and maintain a copy of this document in relevant local personnel files. Payroll will process payment once this document is completed, authorised by the relevant delegate and a copy is submitted to payroll for processing.

This business case is to be completed by Hospital and Health Services (HHSs)/Department of Health (DoH) Divisions that wish to apply to their relevant Chief Executive (CE) or the Director-General (DG) to provide remuneration in addition to the Medical Officers’ (Queensland Health) Certified Agreement (No. 4) 2015 (MOCA4) to an individual or a group of individuals.

Proposal

This section outlines the format by which an HHS/DoH Division can propose to remunerate an SMO outside of MOCA 4.

SMO's full name:	SMO's predominant specialty:
Employing HHS & facility:	SMO's PID & relevant PAN/s:

Special Remuneration Category	Proposed % value (of base sal.)*	Effective date	Expiry date**
Rural & Remote (CE apv.)	<input type="checkbox"/>		
Specialty (CE apv.)	<input type="checkbox"/>		
Specialty (DG apv.)	<input type="checkbox"/>		

*Note: Rural and Remote (CE/DDG approved) maximum value is 5%
 Specialty recruitment (CE/DDG approved) maximum value is 25%
 Specialty recruitment (DG approved) value is unlimited

**Note: Where the expiry date is in excess of 12 months this application must be forwarded to the Director-General for approval

Issue analysis and rationale

This section must summarise the issue at hand and provide the rationale for remunerating an individual or a group in addition to MOCA 4. The rationale should provide evidence supporting claims such as:

- location is difficult to recruit to (e.g. vacancy reports, retention statistics, etc.)
- speciality is difficult to recruit to (e.g. vacancy reports, retention statistics, etc.)
- failure to remunerate in addition to MOCA 4 may result in critical loss of talent.

The statement of rationale should detail benefits of remunerating the individual or group and how that aligns with the best use of taxpayers' money, service delivery standards and patient safety and quality.

Alternative solutions

Information regarding alternative options that have been considered and action taken prior to making application to remunerate in addition to MOCA 4 is to be included in this section.

For each alternative, describe:

- time frame
- resources
- costs
- benefits

- *any constraints and major assumptions that are critical in deciding between the alternatives considered.*

Mitigation strategies and future planning

- *Describe what activities will be undertaken to mitigate against prolonged payment in addition to MOCA 4, such as workforce planning, recruitment campaigns, teaching and training plans, succession planning and advancement of junior staff, etc.*

Sensitivities and risks

- *Identify key sensitivities and risks that exist in either remunerating or not remunerating individuals or groups of individuals*
- *Consultation with HHS CEs/Directors of Medical Services should occur where there is potential for statewide/regional implications*
- *If the submission is for more than 1 SMO - explain the potential implications for specialty remuneration in other HHSs and what mitigation strategies will be implemented to reduce any regional/statewide impact*
- *Present potential contingent actions that could mitigate the risks.*

Review and evaluation

- *Describe the way forward, detailing planned review dates and associated criteria for evaluation, anticipated outcomes and how they will be measured.*

Approval

Submitted by

Signature:	Date:
Full name:	Position
Comments:	

Approved by

HHS Chief Executive or relevant DoH Divisional Head Signature:	Date:
HHS Chief Executive or relevant DoH Divisional Head Full name:	
Comments:	

Director-General Approval (where required under the Remuneration Governance Framework for SMOs)

Signature:	Date:
Full name:	
Comments:	