PART 6

Department of Health

Summary of departmental portfolio budgets

Page	Agency	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
1-151	Department of Health - controlled	9,990,242	10,556,291	11,046,410
	Department of Health - administered	25,005	25,295	25,316
1-178	Health Quality and Complaints Commission	9,843	10,170	10,154
1-186	Queensland Institute of Medical Research	77,109	75,093	82,240

Note:
1. Explanations of variances are provided in the financial statements

DEPARTMENTAL OVERVIEW

MINISTERIAL RESPONSIBILITY

The Minister for Health is responsible for Queensland Health and a number of statutory bodies including the Queensland Institute of Medical Research and the Health Quality and Complaints Commission.

STRATEGIC ISSUES

Queensland Health's purpose is to provide safe, sustainable, efficient, quality and responsive health services for all Queenslanders. To achieve this, the *Queensland Health Strategic Plan 2011-15* outlines five strategic priorities which confirm Queensland Health's continuing commitment to meeting the *Toward Q2: Tomorrow's Queensland* ambition of Healthy – *Making Queenslanders Australia's healthiest people* and its targets of:

- *Cut by one-third obesity, smoking, heavy drinking and unsafe sun exposure*
- *Shortest public hospital waiting times in Australia*

Queensland Health also contributes to achieving the other *Toward Q2* ambitions and the challenges articulated in *Advancing Health Action* (2008).

Queensland Health's strategic priorities are:

- *Effective and efficient health promotion, illness prevention and early intervention* with a focus on increasing action for the promotion and protection of the health of all Queenslanders and the prevention of ill health by supporting healthy behaviours and lifestyle choices, improving access to cancer screening programs, managing preventable environmental health hazards, preventing and controlling communicable diseases and maintaining vaccination rates
- *Access to quality services delivered in the right way, at the right place and at the right time* by addressing the challenges of meeting the healthcare needs of Queenslanders across the spectrum of care through increased services available in the primary care setting, expansion of hospital and related services, including oral and mental health services to meet the needs of a growing population and improving patient care, safety and patient outcomes
- *Improve the equity of health outcomes* by providing greater access to health services for specific population groups most at risk including closing the gap in health outcomes for Indigenous Queenslanders and improving access and health outcomes for rural and remote Queenslanders, people from culturally and linguistically diverse backgrounds and Queenslanders from disadvantaged socio-economic backgrounds
- *Create a sustainable, proactive and continually improving health system* by implementing health reforms to improve sustainability, encourage innovation and evidence-based improvements in service models, increasing the availability and use of technology to improve the efficiency, effectiveness and quality of health services and developing and maintaining systems to assess and monitor quality outcomes and provide feedback to health professionals, service providers, the community and governments
- *A sustainable and high quality workforce to meet future health needs* by identifying and developing leadership at all levels in the organisation, building and maintaining a positive and safe workplace culture and building positive and productive relationships with stakeholders and partners to develop a flexible workforce that ensures a productive and sustainable workplace.

To address key strategic risks, Queensland Health will continue to promote the adoption of healthy behaviours; monitor the capacity to manage the growing demand for services and maintaining building and ICT infrastructure within the economic and financial environment; attracting and retaining skilled staff to meet the needs of the service; increase access; and address barriers to developing coordinated and effective care between health sectors.

The Queensland Government, in partnership with the Australian Government, is reforming the way our health services will be managed and delivered in the future. There will be significant changes to the governance and funding of the health system in Queensland linked to the changes agreed by the Council of Australian Governments since April 2010. The reforms are intended to position the health system to meet future challenges including responding to increased demand associated with a growing and ageing population.

The establishment of 17 Local Health and Hospital Networks (LHHNs) by 1 July 2012 is a significant part of these reforms. Under LHHNs, more decision-making will be devolved to the local level, with LHHNs responsible for the delivery of public hospital and health services.

Benefits arising from the reforms include:

- enhanced engagement with consumers, community and clinicians leading to services that are more responsive to local needs and priorities
- the introduction of national standards and performance reporting to promote greater transparency and accountability in health service management
- skills-based Governing Councils to drive continuous service improvement at the network level
- the introduction of funding linked to the level of activity and to a nationally efficient price, which will drive efficiency across the system, with Queensland introducing an activity based funding model from 1 July 2011 in advance of establishing LHHNs
- a stronger focus on the development of comprehensive primary health care services and improved individual and community health outcomes.

Preparation for the transition from the existing Health Service Districts to LHHNs is underway with the drafting of legislation to enable the establishment of LHHNs in Queensland.

2011-12 HIGHLIGHTS

In 2011-12 Queensland Health's budget will grow to $11.046 billion, an increase of 10.6% on the 2010-11 budget. The department will also be investing $1.820 billion in health infrastructure projects in 2011-12.

In 2009-10 Queensland Health was allocated $675.6 million over five years under the *National Partnership Agreement (NPA) on Improving Public Hospital Services* to support increased access to elective surgery, reduce emergency department (ED) waiting times and enhance sub-acute care services, in line with the targets set out in the NPA. The following projects received formal approval through the NPA to proceed:

- increased investment of $70.4 million operational funding and $47.1 million capital funding for Logan Hospital to expand ED services and improve patient flow including meeting the needs of paediatric patients and their families

- a significant boost of $61.5 million operational funding and $22 million capital funding to expand the ED at the Queen Elizabeth II Jubilee (QEII) Hospital to deliver a brand new ED with 8 short stay beds, a 12 chair transit lounge; a new endoscopy unit with two procedural rooms, recovery and admissions area; and 10 palliative care beds
- $61 million increased funding over four years to continue the Surgery Connect Program which enables the treatment of elective surgery patients who have been waiting longer than clinically recommended
- $40 million increased funding over four years to redesign clinical services with a focus on ED access and treatment times to deliver the best evidence based models of care that are safe, effective, well coordinated and easy to deliver
- $26.5 million operational funding and $7.3 million capital funding to improve paediatric services at Caboolture and Redcliffe Hospitals. This includes additional same day and short stay beds to improve paediatric patient flow through the ED, an improved paediatric ED waiting area, additional paediatric outpatient clinics and consultation rooms
- $6.1 million operational funding and $3 million capital funding for Toowoomba Hospital to improve functionality and patient flows through upgrades to the ED and four additional short stay beds.

Mental Health Natural Disaster Recovery: $12.6 million additional funding in 2011-12 ($37.8 million over two years) provided by the Queensland and Australian Governments under the National Disaster Relief and Recovery Arrangements (NDRRA) for the recruitment of 126 community mental health staff over the next two years to provide specialist mental health support in the areas significantly affected by the recent natural disasters. These staff will work in Mental Health Trauma Recovery Services (MHTRS), providing specialist counselling and therapy services to assist those experiencing severe psychological trauma as a result of the natural disasters.

Natural Disaster Relief and Recovery Supplementation: $18.1 million total funding over two years provided by the Queensland and Australian Governments under the NDRRA to replace and repair equipment and repair damage to a number of Queensland Health facilities caused by the recent natural disasters. Some of the repairs required include roof replacements, internal walls, fire panel rectification and replacement of air conditioners.

Regional Priority Round funding: $7 million additional funding in 2011-12 ($97.7 million over five years) is provided by the Australian Government under the Health and Hospitals Fund Regional Priority Round to construct mental health community care units in Nambour, Bundaberg, Rockhampton and Toowoomba; develop regional inpatient mental health services in Bundaberg, Hervey Bay, Toowoomba and Maryborough; and construct new procedure centres at Townsville Hospital and Cairns Base Hospital.

NPA on Improving Mental Health: $4.3 million additional funding in 2011-12 ($31.6 million over four years) is provided by the Australian Government to enhance mental health services including accommodation, EDs and community based crisis support. The final funding allocation is subject to negotiation with states on the NPA and will be based on a competitive process.

More Beds for Hospitals: Queensland Health is committed to increasing services and the number of beds available to Queensland's growing population. To achieve this Queensland has committed to opening more than 1,700 beds and 250 ED treatment spaces between 2009-10 and 2015-16 at various locations across Queensland including the Prince Charles, Townsville, Nambour, Robina, Rockhampton and Bundaberg Hospitals. In 2011-12, it is expected that Queensland Health will deliver over 350 bed and bed alternatives and more than 30 ED treatment spaces across a range of Queensland Health facilities.

Jamie's Ministry of Food Australia: Up to $2.5 million over four years from 2010-11 has been reallocated to support the delivery of the Jamie's Ministry of Food program. The program is delivered through the Jamie's Ministry of Food Cooking Centre based in Ipswich and a mobile Food Truck that will visit Queenslanders in their communities and schools to conduct demonstrations and cooking classes.

RECENT ACHIEVEMENTS

The commitment made by the Government in 2009 to recruit an additional 3,500 doctors, nurses and allied health professionals by 2012 and the subsequent 2010 commitment to recruit a further 1,200 doctors, nurses and allied health professionals has been exceeded with the recruitment of more than 4,700 extra clinical staff since 2009.

Funding in 2010-11 enabled Queensland Health to progress a range of initiatives including:

Cancer Centres: Queensland and Australian Government investment in Regional Cancer Centres enabled:

- the commencement of planning for the Townsville Regional Cancer Centre and the expanded day treatment service at Mt Isa
- planning for the Toowoomba Centre to commence. This expansion of oncology services will increase the number of treatment spaces and inpatient beds in Toowoomba with outreach services to be provided by the Princess Alexandra Hospital
- planning to progress on the new Rockhampton Regional Cancer Centre which will be located in the new ward block and will be an integrated service with the Royal Brisbane and Women's Hospital
- the commencement of detailed planning and design in Hervey Bay and Bundaberg to enable the increase of beds and day treatment spaces.

Mental Health Stigma Campaign: Development of the $8.5 million mental health stigma campaign is underway with formative research completed and concept testing commenced. In April 2011, the campaign effort was temporarily refocused to support Queenslanders affected by the recent natural disasters.

Children's Hearing Services: Investment in children's hearing services enabled:

- an additional 22 publicly provided cochlear implants and surgery per year from 2010-11 doubling (from 22 to 44) the number of cochlear implants for children
- expanded early intervention services so that Queensland children receive appropriate and timely follow-up therapy to ensure their speech and language outcomes are optimised
- development of culturally appropriate, evidence-based community programs in Northern Queensland for Aboriginal and Torres Strait Islander children to receive enhanced access to therapy services

- Hear and Say Centre to receive additional funding to provide ongoing support for auditory-verbal therapy services for children with a hearing loss who have either cochlear implants or hearing aids. Additional funding is also available for the Hear and Say Centre to assist with the acquisition of new premises
- appropriate assessment and therapy for children with hearing aids which supports the communication development of children with additional disabilities.

James Cook University Dental School Training Facilities: $22 million was provided in 2010-11 to support construction of a 60 chair dental clinic on the James Cook University Cairns campus. Construction of the building is expected to be completed in time to facilitate clinical requirements for fourth year students in 2012.

Persistent Pain Strategy: Implementation of the *Statewide Persistent Pain Health Services Strategy* commenced with the development of service delivery models and recruitment to key positions within the four pilot sites including Gold Coast, Metro South, Sunshine Coast and Townsville Health Service Districts.

DEPARTMENTAL SERVICES

Queensland Health reports service delivery under six service areas that reflect the department's planning priorities and support investment decision-making across the health continuum. Our service areas are:

Prevention, Promotion and Protection

This service area aims to prevent illness and injury, actively promote and protect the good health and wellbeing of Queenslanders and reduce the health status gap between the most and least advantaged in the community. This service area is directed at the entire well population or specific sub populations rather than individual treatment and care, using a range of strategies such as disease control, regulation, social marketing, community development and screening.

Primary Health Care

This service area addresses health problems or established risk factors of individuals and small targeted groups providing curative, promotive, preventative and rehabilitative services. Although primary health care services are largely provided by General Practitioners or other non-government health care providers, Queensland Health, through multidisciplinary teams of healthcare professionals, provides a range of primary health care services that include early detection and intervention services and risk factor management programs through community health facilities, child health centres and dental clinics.

Ambulatory Care

This service area aims to provide equitable access to quality emergency medical services provided in public hospital EDs and services provided through Queensland's public hospital outpatient departments including a range of pre-admission, post acute and other specialist medical, allied health, nursing and ancillary services.

Acute Care

This service area aims to increase equity of access to high quality acute hospital services on a Statewide basis and includes the provision of medical, surgical and obstetric services to people treated as acute admitted patients in Queensland's public acute hospitals.

Rehabilitation and Extended Care

This service area predominantly targets the needs of people with prolonged conditions and chronic consequences. The goal is to improve the functional status of a patient with an impairment or disability, slow the progression of and assist them to maintain and better manage their health condition. It includes rehabilitation, palliative care, respite, psychogeriatric, geriatric evaluation and management, residential aged care services, residential services for young people with physical and intellectual disabilities, and it also includes extended care services that focus on maintaining a person's health and current functional status.

Integrated Mental Health Services

This service area spans the health continuum through the provision of mental health promotion and prevention activities (including suicide prevention strategies), community-based services, acute inpatient services and extended treatment services. Mental health reform is guided by the *Fourth National Mental Health Plan* and the *Queensland Plan for Mental Health 2007-2017.* The aim of mental health services is to promote the mental health of the community, prevent the development of mental health problems where possible, and to provide timely access to assessment and treatment services.

STAFFING[1]

Service areas[2,3]	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
Services				
Prevention, Promotion and Protection		3,420	2,582	2,584
Primary Health Care		2,810	4,403	4,464
Ambulatory Care		12,990	12,591	12,758
Acute Care		32,604	34,032	34,101
Rehabilitation and Extended Care		4,907	6,863	7,059
Integrated Mental Health Services		6,307	6,639	6,767
Total		**63,038**	**67,110**	**67,733**

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. Corporate FTEs and Queensland Health Shared Service Provider FTEs are allocated across the services to which they relate.
3. Subsequent to the production of the 2010-11 Service Delivery Statement, a review of the recognition of expenditure across Services has had a flow through effect on the recognition of FTEs across Services. The total 2010-11 Estimated actual FTE did not change. The review increased the 2010-11 Estimated actual FTE for Primary Health Care and Rehabilitation and Extended Care. These increases were offset by decreases in Prevention, Promotion and Protection, Ambulatory Care, Acute Care and Integrated Mental Health Services.

2011-12 SERVICE SUMMARY[1]

Service areas	Total cost $'000	Sources of revenue			
		State Contribution[2] $'000	User charges $'000	C'wealth revenue $'000	Other revenue $'000
Prevention, Promotion and Protection	500,715	259,043	23,219	211,915	6,538
Primary Health Care	627,103	538,005	2,285	84,322	2,491
Ambulatory Care	2,218,148	1,507,617	132,192	567,010	11,329
Acute Care	5,790,634	3,725,780	614,257	1,417,076	33,521
Rehabilitation and Extended Care	959,081	490,221	44,645	335,086	89,129
Integrated Mental Health Services	950,729	611,784	20,868	314,257	3,820
Total	**11,046,410**	**7,132,450**	**837,466**	**2,929,666**	**146,828**

Notes:
1. Explanations of variances are provided in the financial statements.
2. Amounts shown as State Contribution may not reconcile to Service Revenue in the financial statements. Service Revenue includes payments from the Australian Government where the majority of Commonwealth payments are made directly to consolidated funds. Departments receive the payments through Service Revenue or Equity Injection.

DEPARTMENTAL STATEMENTS

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service Area: Prevention, Promotion and Protection				
Service standards				
Percentage of the Queensland population who consume recommended amounts of fruits and vegetables	1	9%	6.5%	7.5%
Percentage of the Queensland population who engage in levels of physical activity for health benefit:	1			
• Persons		56%	58.2%	61.1%
• Male		New	63.3%	66.0%
• Female		measure	53.2%	56.3%
Percentage of the Queensland population who are overweight or obese:	1,2	New measure		
• Persons			58.0%	58.1%
• Male			66.2%	65.9%
• Female			50.0%	50.1%
Percentage of the Queensland population who consume alcohol at risky and high risk levels:	1,2			
• Persons		11%	13.3%	12.2%
• Male		New	13.6%	13.0%
• Female		measure	13.1%	11.4%
Percentage of the Queensland population who smoke daily:	1,2			
• Persons		15%	14.2%	13.6%
• Male		New	16.4%	15.4%
• Female		measure	12.2%	12.0%
Percentage of the Queensland population who were sunburnt on the previous weekend	1,2	New measure		
• Persons			6.5%	6.0%
• Male			8.7%	..
• Female			4.3%	..
Percentage of the Queensland population who adopt ultraviolet (UV) protective behaviors	1			
• Persons		96%	..	..
• Male		New	..	..
• Female		measure	..	..
Percentage of invasive cancers detected through BreastScreen Queensland that are small (<15mm) in diameter	5	60.8%	63.7%	62%

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
New notifications of HIV infection	4	190	227	237
Vaccination rates at designated milestones for:				
• all children aged 2 years		92%	92.8%	92%
• Aboriginal and Torres Strait Islander children aged 2 years		92%	93.0%	92%
• Year 8 female students for Human Papilloma Virus (HPV)	3	75%	64.4%	75%
Fall related hospitalisations for older people (aged over 65 years) in Queensland:				
• Percentage		2.8%	2.5%	2.5%
• Number		14,076	13,793	14,306
Other measures				
Percentage of target population screened for:				
• breast cancer	6	57.5%	58.3%	57.5%
• cervical cancer	7	60.0%	58.9%	57.6%
• bowel cancer	8	41.4%	..	37.0%
Percentage of Queensland population, meeting the requirements of the *Water Fluoridation Act 2008*, that receive fluoridated water from reticulated water supplies		84%	82%	87%
Number of high risk complaints investigated and the risk controlled	9,10	865	..	..
State contribution ($000)		**293,481**	**253,600**	**259,043**
Other revenue ($000)		**218,446**	**223,956**	**241,672**
Total cost ($000)	51,52	**511,927**	**477,556**	**500,715**
Service Area: Primary Health Care				
Service standards				
Number and age standardised rate of potentially preventable admitted patient episodes of care:	11			
• Non-Aboriginal and Torres Strait Islander patients		No: 125,000 Rate: 27	122,105 27.2	113,059 25
• Aboriginal and Torres Strait Islander patients		No: 7,577 Rate: 81.1	8,030 76.1	7,795 69.7
Percentage of women who, during their pregnancy were smoking after 20 weeks:				
• Non-Aboriginal and Torres Strait Islander patients		12.5%	11.9%	11%
• Aboriginal and Torres Strait Islander patients	12	46%	47.2%	43.0%
Other measures				
Number of calls to 13 HEALTH (information and teletriage service)	13,14	283,000	250,685	283,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of calls to 13 HEALTH (information and teletriage service) answered within 20 seconds	13	80%	83%	80%
Number of children and adolescents oral health weighted occasions of service (0-15 years)	15,16,17	New measure	1,200,000	1,200,000
Number of adult oral health weighted occasions of service (ages 16+)	15,16,17	1,900,000 – 2,000,000	1,750,000	1,800,00 – 2,000,000
State contribution ($000)		**486,539**	**534,127**	**538,005**
Other revenue ($000)		**80,729**	**81,654**	**89,098**
Total cost ($000)	51,52	**567,268**	**615,781**	**627,103**
Service Area: Ambulatory Care				
Service standards				
Percentage of patients attending emergency departments seen within recommended timeframes:	2,18			
• Category 1 (immediate)	19	100%	100%	100%
• Category 2 (within 10 minutes)		80%	78%	80%
• Category 3 (within 30 minutes)	20	75%	57%	75%
• Category 4 (within 1 hour)	21	70%	63%	70%
• Category 5 (within 2 hours)		70%	87%	70%
• All categories	22	New measure	64%	..
Median wait time for treatment in emergency departments (minutes)	2,18,23	New measure	25	..
Percentage of live born, low birth weight babies born to:	24	New measure		
• Non-Aboriginal and Torres Strait Islander women			6.1%	5.8%
• Aboriginal and Torres Strait Islander women			10.4%	9.4%
Other measures				
Total number of non-admitted occasions of service (including emergency services):	25,26	10,500,000 - 11,000,000	11,196,200	11,500,000 - 12,000,000
• Emergency services			1,651,787	
• Specialty clinics			3,333,852	
• Diagnostic and outreach services			6,210,561	
Total non-admitted weighted activity units:	27,28	250,000 – 275,000	253,437	250,000 – 275,000
• Emergency services			29,540	
• Specialty clinics			212,754	
• Diagnostic and outreach services			11,143	

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Percentage of women who gave birth and had 5 antenatal visits or more in the antenatal period:	12			
• Non-Aboriginal and Torres Strait Islander women		92.5%	92.3%	92.5%
• Aboriginal and Torres Strait Islander women		84.5%	77.7%	89.3%
State contribution ($000)		**1,340,058**	**1,466,239**	**1,507,617**
Other revenue ($000)		**650,221**	**652,668**	**710,531**
Total cost ($000)	51,52	**1,990,279**	**2,118,907**	**2,218,148**
Service Area: Acute Care				
Service standards				
Percentage of patients admitted from emergency departments within 8 hours	18,29,30	80%	60%	80%
Percentage of admitted patients discharged against medical advice:				
• Non-Aboriginal and Torres Strait Islander patients		1.0%	0.8%	0.8%
• Aboriginal and Torres Strait Islander patients		2.48%	2.05%	2.2%
Median wait time for elective surgery (days):	2,23,31	New measure		
• Category 1 (30 days)	32		12	..
• Category 2 (90 days)			49	..
• Category 3 (365 days)			82	..
• All categories			28	..
Number of days waited at the 90th percentile for elective surgery:	31,33,34			
• Category 1 (30 days)		30	35	30
• Category 2 (90 days)		90	149	90
• Category 3 (365 days)		365	339	365
Percentage of elective surgery patients seen within clinically recommended timeframes	2,31,35	New Measure	83%	95%
Average cost per weighted activity unit for acute admitted patients	27	$5,000 - $5,300	$5,050	$5,000 - $5,300
Other measures				
Acute admitted patient episodes of care		900,000 – 950,000	922,469	950,000 – 980,000
Acute admitted patient weighted activity units	27,28	850,000 – 880,000	853,903	850,000 – 900,000
Patient Days		2,500,000 – 2,900,000	2,601,067	2,600,000 – 2,800,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Number of available bed and available bed alternatives for public acute hospitals	36	10,700 – 10,750	10,643	10,970 - 11,020
State contribution ($000)		**3,285,505**	**3,639,686**	**3,725,780**
Other revenue ($000)		**1,893,661**	**1,915,848**	**2,064,854**
Total cost ($000)	51,52	**5,179,166**	**5,555,534**	**5,790,634**
Service Area: Rehabilitation and Extended Care				
Service standards				
Average number of public hospital beds occupied each day by nursing home type patients		375	401	375
Average cost per weighted activity unit for sub and non acute patients	27,28	$5,400 - $5,700	$5,460	$5,500 - $5,800
Other measures				
Sub and non acute patient days (including Maintenance care, Rehabilitation and Palliative Care)	37,38	520,000 – 530,000	501,732	525,000 – 535,000
Sub and non acute weighted activity units	27,28	100,000 – 120,000	104,123	100,000 – 120,000
Number of State Government Residential Aged Care Facilities and services meeting National Accreditation Standards		20	20	20
State contribution ($000)		**439,164**	**475,532**	**490,221**
Other revenue ($000)		**412,414**	**419,118**	**468,860**
Total cost ($000)	51,52	**851,578**	**894,650**	**959,081**
Service Area: Integrated Mental Health Services				
Service standards				
Re-admission rate to acute psychiatric care within 28 days of discharge	39,40	15% - 20%	16.1%	15% - 20%
Other measures				
Mental health acute admitted patient episodes of care	41,42	14,000 – 15,000	15,130	14,000 – 15,000
Mental health acute admitted psychiatric care days	42,43	190,000 – 200,000	200,040	190,000 – 200,000
Mental health extended treatment accrued mental health care days	44,45	190,000 – 200,000	182,616	190,000 – 200,000
Weighted activity units for mental health acute admitted patient episodes of care	27,28, 53	60,000 – 75,000	52,685	50,000 - 60,000
Mental health patients accessing community mental health care	46,47	75,000 – 80,000	72,277	70,000 – 75,000

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Community mental health occasions of service	46,48	850,000 – 950,000	953,082	950,000 – 1,050,000
Rate of community follow-up within 7 days post-discharge from acute inpatient care	49,50	50% - 60%	50.4%	55% - 60%
State contribution ($000)		**581,036**	**581,244**	**611,784**
Other revenue ($000)		**308,988**	**312,619**	**338,945**
Total cost ($000)	51,52	**890,024**	**893,863**	**950,729**

Notes:

1. 2010-11 Estimated actual based on an interim data set. The 2011 collection was substantially delayed due to flood and cyclone events in Queensland during 2010-11. As a result of this delay and unforseen technical issues, data is based on 50% of the total sample. The survey was not designed to provide an interim data set and thus reporting on such may introduce variation from final estimates. Data for the UV protective behaviour measures could not be provided at this stage. Actual data will be provided in Queensland Health's 2010-11 Annual Report.
2. Queensland Health is the lead department for the *Toward Q2: Tomorrow's Queensland* Healthy – Preventable diseases and Healthy – Hospital waiting times targets. For further information on these *Toward Q2: Tomorrow's Queensland* target measures and their contributing departments, please refer to the Target Delivery Plans found on the www.TowardQ2.qld.gov.au website.
3. The recommended schedule for HPV vaccines is a 3 dose series. The HPV vaccinations are administered as part of the School Based Vaccination Program and reported via Queensland Health's Vaccination Information and Vaccination Administration System (VIVAS). Data is calculated using the number of Year 8 female students vaccinated as a proportion of the number of Year 8 female students enrolled. Based on previous years data, uptake decreased with each successive dose.
4. The 2010-11 Estimated actual and 2011-12 Target/estimate are higher than previous years due to a continued rise in HIV notifications. A similar trend of rising notifications of HIV has also been observed in other states in Australia and in other developed countries. Since 2004, the rate of newly diagnosed cases of HIV in Europe reported per 100,000 population, has increased by almost 30%, from 6.6 per 100,000 population in 2004, to 8.5 per 100,000 in 2009.
5. The percentage of small in diameter (<15mm) invasive cancers detected through BreastScreen Queensland is a indicator of the Program's success. The 2010-11 Estimated actual figure relates to the most recent period for which data is available (2009-10 financial year).
6. The 2010-11 Estimated actual figure relates to the most recent period for which data is available (Jan 2008– Dec 2009). There has been an increase in the participation rate from 57.5% for the period Jan 2007 to Dec 2008 to 58.3% for the period Jan 2008 to Dec 2009. This increase can be attributed in part to the positive impact of the social marketing campaign and the recruitment of radiographer staff.
7. The 2010-11 Estimated actual figure relates to the most recent period data is available and reported (Jan 2008– Dec 2009). The decrease in the 2010-11 Estimated actual compared to the 2010-11 Target/estimate mirrors a decrease in the national screening participation rate. The 2011-12 Target/estimate relates to the next reporting period (Jan 2009 – Dec 2010).
8. The 2010-11 Estimated actual figure relates to the participation rate for the 2009 calendar year. The most recent period data is available and reported by the AIHW is the 2008 calendar year, hence the 2010-11 Estimated actual cannot be reported at this time. The 2010-11 Estimated actual is projected to be lower than targeted due to the inclusion of 50 year olds whose response rate is lower than 55 and 65 year olds and because the National Bowel Cancer Screening Program was suspended for 6 months in 2009 due to a fault with the Faecal Occult Blood Test (FOBT) kit. Replacement FOBT kits were issued from November 2009 and the potential impact of this remediation on participation rates are unclear. The 2011-12 Target/estimate will relate to invitations issued in the 2010 calendar year. It is expected that the remediation may lead to a lower participation rate in the 2010 calendar year, hence the 2011-12 Target/estimate has been reduced to reflect this. 2010-11 actual data will be included in the 2010-11 Annual report.
9. The Estimated actual figure for 2010-11 is unavailable due to sanctioned industrial action between October and December 2010 and due to delays caused by the cyclones and floods in Queensland during 2010-11.
10. Queensland Health has no control over the number of high risk complaints received, therefore it is not appropriate to set a target for this service standard.
11. The number of potentially preventable admitted patient episodes of care has decreased due to a change in the Australian Coding Standards from 1 July 2010, which resulted in a change to the recording of diabetes. Age-standardised rates are calculated per 1,000 population.
12. Annual targets have been set to align with the National Partnership Agreement for Closing the Gap in Indigenous Health Outcomes by 2033-34.
13. Data is based on actual calls to 13 HEALTH for the period July 2010 to March 2011 with projections for the remaining three months of data.
14. Queensland Health has no control over the actual level of calls to 13HEALTH, however usage is promoted through a range of advertising mediums and public awareness strategies. There were no specific marketing campaigns for the program between July 2010 and February 2011.
15. Service delivery issues currently affecting oral health services relate to compliance with changes in occupational health and safety standards, patient safety and quality requirements, infection control and sterilisation protocols, models of service delivery and information system requirements. These service delivery issues have contributed to the 2010-11 Target/estimate not being met for adult weighted occasions of service (WOOS).

16. Reporting on WOOS during 2010-11 was significantly impacted by sanctioned industrial action from September to December 2010 that involved some oral health staff declining to enter appointment and/or treatment information into the oral health information system. This action resulted in incomplete service data during this period.
17. The 2011-12 Target/estimate has been revised to reflect the ongoing impact of the service delivery issues referenced in note 15 above.
18. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 28 February 2011 only, with projections for the remaining four months of data. Includes data from 27 Queensland emergency department reporting hospitals, which represents approximately 80% of all emergency activity in Queensland.
19. The 2011-12 Target/estimate based on the clinically recommended times for treatment specified by the Australasian College for Emergency Medicine (ACEM) and applied nationally as a performance benchmark.
20. The 2010-11 Estimated actual is consistent with performance in previous years. 2011-12 Target/estimate aligns with ACEM clinically recommended times.
21. The 2010-11 Estimated actual is consistent with performance in previous years and has improved slightly from the 62% in 2009-10. 2011-12 Target/estimate to remain as it is consistent with ACEM clinically recommended times.
22. A target is not included for this service standard as there is no national benchmark for all triage categories, however the service standard has been included (without a target) as it is a nationally used standard measure.
23. A target is not included for this service standard as there is no national benchmark at the 50th percentile, however the service standard has been included (without a target) as it is a nationally used standard measure.
24. Low birthweight is defined as liveborn singleton babies weighing less than 2,500 grams.
25. 2010-11 Estimated actual data is preliminary and involves estimation.
26. Occasions of service is defined as an occasion of examination, consultation, treatment or other service provided to a non-admitted patient in a functional health service facility.
27. Activity Based Funding (ABF) defines activity in terms of a single measure called a Weighted Activity Unit (WAU). A WAU provides a common unit of comparison between the variable components of ABF, so that all activity can be measured consistently. It is a measure of the relative value of care provided to patients, across various treatment types (including acute inpatient, ED, outpatient services, sub-acute care and renal dialysis).
    Actual comparisons between WAUs reported in different years are impacted by changes in the scope of the ABF (i.e. which services are funded under ABF) and factors which may alter the cost weight of a particular type of service. For example, advances in models of care, drugs and technology used in a particular treatment may mean that the cost weight of that treatment increases or decreases relative to the average costs of service provision. Hence a change in the number of WAUs may not be directly related to a change in the volume of services provided and may reflect technical adjustments to the model.
    2010-11 Estimated actual WAUs and 2011-12 Target/estimate are all expressed in 2010-11 WAUs to ensure comparability. However, these estimates and targets are not directly comparable to WAU estimates and targets in Statements for previous years.
28. 2010-11 Estimated actuals have been extrapolated based on data for the first seven months of the 2010-11 year, assuming same proportion of the full year's activity as the first eight months of the 2009-10 financial year.
29. There is no national benchmark for this standard; however a target has been set to align with Queensland's goal to improve access to admitted patient services through the Patient Flow Strategy.
30. The result is consistent with performance in previous years. Although Queensland is not currently achieving the target, it has remained for 2011-12 because Queensland is still attempting to achieve this target.
31. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 31 January 2011 only, with projections for the remaining five months of data. Includes data from 32 Queensland elective surgery reporting hospitals, which represents approximately 95% of all elective surgery activity in Queensland.
32. A decline in performance for category 2 patients was expected as Queensland Health focused more on treating the longest waiting patients. Treating the 'long wait' patients results in an increase in the median waiting time for treatment. It is anticipated that the median wait time will improve in 2011-12.
33. Targets have been set according to the clinically recommended waiting time for each category.
34. In 2010-11, Queensland focussed on reducing 'long wait' category 2 patients by almost half between 1 January 2010 and 1 January 2011. Treating the 'long wait' patient results in an increase in the 90th percentile waiting time for treatment. The 90th percentile wait is expected to improve in 2011-12.
35. 2010-11 Estimated actual data is preliminary and represents 1 July 2010 to 28 February 2011 only and includes data from 32 Queensland elective surgery reporting hospitals. Target has been set according to the NPA on Improving Public Hospital target which aims for 95% of elective surgery patients treated within clinically recommended timeframes by the end of 2015.
36. Estimated actual for 2010-11 is below the 2010-11 Target/estimate reflecting some delays in the More Beds for Hospitals Program and the decommissioning of some beds, largely in small hospitals including in areas with declining population growth.
37. There has been an increased trend in the provision of non-admitted subacute services including home based sub-acute rehabilitation and palliative care which are not recorded under this service area.
38. The 2010-11 Target/estimate was not achieved as the number of subacute services available were reduced as a result of the natural disasters in 2010-11.
39. To be in scope the initial admitted patient episode of care must (a) occur in a general acute mental health inpatient unit, (b) involve an overnight or longer stay, and (c) the episode must not end with discharge or transfer. A readmission is defined as a subsequent overnight or longer episode for the patient in general acute mental health inpatient unit of the original hospital that begins within 28 days of the original discharge. Episodes involving stays in general acute mental health inpatient units in addition to other specialised mental health inpatient units are excluded.
40. 2010-11 Estimated actual calculated on a pro rata basis using available data (July to October 2010).
41. Mental health acute admitted patient episodes of care are defined as the total number of completed overnight separations from general acute mental health inpatient unit(s) occurring within the reference period.
42. 2010-11 Estimated actual calculated on a pro-rata basis using available date (July to December 2010). Episodes in which the patient was admitted and discharged on the same day and episodes involving stays in general acute mental health inpatient units in addition to other specialised mental health inpatient units are excluded.
43. Mental health acute admitted psychiatric care days are defined as the total number of patient days in the general acute mental health inpatient unit(s) accounted for by completed overnight formal separations during the reference period.

44. Refers to the total number of admitted patient care days provided in a specialised mental health extended treatment units within the reference period.
45. 2010-11 Estimated actual calculated pro rata using available data (July to February 2011). This data excludes a small number of psychogeriatric and mental health acquired brain injury extended treatment beds that do not report accrued patient day data to the Monthly Activity Collection.
46. Community mental health care refers to specialist mental health care provided by community mental health services and hospital-based ambulatory care services.
47. 2010-11 Estimated actual calculated on a pro-rata basis using data trends for the period November 2008 to December 2010.
48. A community mental health occasion of service refers to the provision of a clinically significant service by a mental health service provider for a particular consumer which results in a dated entry being made in the consumer's clinical record. Contact is provided by community mental health services (including those provided by hospital-based ambulatory services).
49. This refers to the number of separations from the mental health service organisation's acute mental health inpatient unit(s) for which a public sector community mental health service contact (in which the consumer participated) was recorded in the seven days immediately following that separation.
50. 2010-11 Estimated actual calculated on a pro rata basis using available data (July to December 2010).
51. Subsequent to the production of the 2010-11 Service Delivery Statement, a review of the recognition of revenue across Services was performed. The review has resulted in a decrease in Prevention, Promotion and Protection, Rehabilitation and Extended Care, and Integrated Mental Health Services, and an increase across the other Services.
52. The totals may not add due to rounding.
53. The Estimated actual WAUs for 2010-11 are below the target due to the methodology which does not account for the significant number of patients awaiting separation from extended treatment services.

INCOME STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue	1,8,15	9,092,426	9,491,844	9,935,644
User charges	2,9	645,561	775,537	837,466
Grants and other contributions	3,16	223,080	259,785	243,447
Other revenue		29,175	29,125	29,853
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**9,990,242**	**10,556,291**	**11,046,410**
Expenses				
Employee expenses	4,10,17	6,475,188	6,809,181	7,121,860
Supplies and services	5,11,18	2,379,089	2,420,891	2,537,106
Grants and subsidies	6,12,19	676,522	857,605	866,225
Depreciation and amortisation	13,20	370,232	370,232	420,040
Finance/borrowing costs		..	..	..
Other expenses	7,14	87,211	96,382	99,179
Losses on sale/revaluation of property, plant and equipment and investments		2,000	2,000	2,000
Total expenses		**9,990,242**	**10,556,291**	**11,046,410**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	21,24	117,538	126,968	133,650
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**117,538**	**126,968**	**133,650**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**117,538**	**126,968**	**133,650**
Equity injection/(withdrawal)	22,25,26	1,180,280	825,066	1,235,133
Equity adjustments (MoG transfers)	23	..	57,466	..
Total movement in equity for period		**1,297,818**	**1,009,500**	**1,368,783**

BALANCE SHEET

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	27,41,55	144,628	154,205	149,050
Receivables	28,42	303,793	359,417	362,474
Other financial assets		..	..	..
Inventories		123,556	121,708	123,229
Other	29,43	69,856	84,767	84,790
Non-financial assets held for sale		..	..	..
Total current assets		**641,833**	**720,097**	**719,543**
NON-CURRENT ASSETS				
Receivables		14,673	14,284	13,829
Other financial assets	30,44,56	40,519	67,331	95,312
Property, plant and equipment	31,45,57	7,705,143	7,144,564	8,617,514
Intangibles	32,46,58	116,493	105,733	150,948
Other	33,47	13,140	8,022	8,022
Total non-current assets		**7,889,968**	**7,339,934**	**8,885,625**
TOTAL ASSETS		**8,531,801**	**8,060,031**	**9,605,168**
CURRENT LIABILITIES				
Payables	34,48,59	282,049	310,561	323,621
Accrued employee benefits	35,49,60	216,959	332,190	357,395
Interest-bearing liabilities and derivatives	36,50,61	70,151	44,016	120,787
Provisions		..	..	..
Other	37,51	8,947	878	878
Total current liabilities		**578,106**	**687,645**	**802,681**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		..	..	..
Interest-bearing liabilities and derivatives	38,52,62	32,573	49,419	110,862
Provisions		..	..	..
Other		1,651	2,492	2,367
Total non-current liabilities		**34,224**	**51,911**	**113,229**
TOTAL LIABILITIES		**612,330**	**739,556**	**915,910**
NET ASSETS/(LIABILITIES)		**7,919,471**	**7,320,475**	**8,689,258**
EQUITY				
Capital/contributed equity	39,53,63	3,990,256	3,642,410	4,877,543
Accumulated surplus/(accumulated deficit)		2,393,543	2,397,181	2,397,181
Reserves:				
- Asset revaluation surplus	40,54,64	1,535,672	1,280,884	1,414,534
- Other (specify)		..	..	..
TOTAL EQUITY		**7,919,471**	**7,320,475**	**8,689,258**

CASH FLOW STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts	65,80,93	9,092,426	9,522,057	9,935,644
User charges	66,81	633,544	830,795	822,348
Grants and other contributions	67,94	223,080	259,785	243,447
GST Input tax credits received	68,82	165,874	305,581	305,581
Other		28,699	28,649	29,377
Outflows:				
Employee costs	69,83,95	(6,474,983)	(6,783,976)	(7,096,655)
Supplies and services	70,84,96	(2,380,017)	(2,492,527)	(2,538,799)
GST paid on purchases	71,85	(166,233)	(305,940)	(305,940)
Grants and subsidies	72,86	(676,522)	(857,605)	(866,225)
Borrowing costs		..	..	..
Other	73,87	(62,789)	(68,527)	(70,891)
Net cash provided by/(used in) operating activities		**383,079**	**438,292**	**457,887**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	74	..	1,758	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment	75,88,97	(1,584,242)	(1,126,919)	(1,741,431)
Payments for intangibles	98	(25,928)	(27,810)	(67,123)
Payments for investments	76,89	(13,990)	(32,644)	(27,981)
Loans and advances made		(309)	(309)	(309)
Net cash provided by/(used in) investing activities		**(1,624,469)**	**(1,185,924)**	**(1,836,844)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	77,90,99	70,151	61,916	138,669
Equity injections	78,91,100	1,389,584	1,034,370	1,494,241
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals	79,92,101	(209,304)	(227,517)	(259,108)
Net cash provided by/(used in) financing activities		**1,250,431**	**868,769**	**1,373,802**
Net increase/(decrease) in cash held		**9,041**	**121,137**	**(5,155)**
Cash at the beginning of financial year		**135,587**	**33,068**	**154,205**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**144,628**	**154,205**	**149,050**

ADMINISTERED INCOME STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Revenues				
Commonwealth grants		..	..	..
Taxes, fees and fines		50	50	50
Royalties, property income and other territorial Revenue		..	..	..
Interest		..	..	..
Administered revenue	102,104	24,998	25,288	25,309
Other		..	..	..
Total revenues		**25,048**	**25,338**	**25,359**
Expenses				
Supplies and services		..	..	..
Depreciation and amortisation				
Grants and subsidies	103,105,107	17,896	18,212	18,760
Benefit payments		..	..	..
Borrowing costs	106,108	7,102	7,076	6,549
Other		7	7	7
Total expenses		**25,005**	**25,295**	**25,316**
Net surplus or deficit before transfers to Government		**43**	**43**	**43**
Transfers of administered revenue to Government		**43**	**43**	**43**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

ADMINISTERED BALANCE SHEET

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets		78	12	12
Receivables	109,111	7,802	8,329	8,329
Inventories				
Other		..	..	..
Non-financial assets held for sale		..	..	..
Total current assets		**7,880**	**8,341**	**8,341**
NON-CURRENT ASSETS				
Receivables	112,115	96,503	95,990	87,128
Other financial assets		..	..	..
Property, plant and equipment		..	..	..
Intangibles		..	..	..
Other		..	..	..
Total non-current assets		**96,503**	**95,990**	**87,128**
TOTAL ADMINISTERED ASSETS		**104,383**	**104,331**	**95,469**
CURRENT LIABILITIES				
Payables		..	..	..
Transfers to Government payable		97	42	42
Interest-bearing liabilities	110,113	7,783	8,299	8,299
Other		..	..	..
Total current liabilities		**7,880**	**8,341**	**8,341**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Interest-bearing liabilities	114,116	96,503	95,990	87,128
Other		..	..	..
Total non-current liabilities		**96,503**	**95,990**	**87,128**
TOTAL ADMINISTERED LIABILITIES		**104,383**	**104,331**	**95,469**
ADMINISTERED NET ASSETS/(LIABILITIES)		**..**	**..**	**..**
EQUITY				
Capital/Contributed equity		..	..	..
Accumulated surplus/(Accumulated deficit)		..	..	..
Reserves:		..	..	..
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL ADMINISTERED EQUITY		**..**	**..**	**..**

ADMINISTERED CASH FLOW STATEMENT

Department of Health	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	117,119	24,998	25,288	25,309
Grants and other contributions		..	..	..
Taxes, fees and fines		50	50	50
Royalties, property income and other territorial revenues		..	..	..
Other		(7)	(7)	(7)
Outflows:				
Transfers to Government		(43)	(43)	(43)
Grants and subsidies	118,120,124	(17,896)	(18,212)	(18,760)
Supplies and services		..	..	..
Borrowing costs	123,127	(7,102)	(7,076)	(6,549)
Other		..	..	..
Net cash provided by/(used in) operating activities		**..**	**..**	**..**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed	121,125	8,309	8,319	8,862
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**8,309**	**8,319**	**8,862**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	122,126	(8,309)	(8,319)	(8,862)
Finance lease payments				
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**(8,309)**	**(8,319)**	**(8,862)**
Net increase/(decrease) in cash held		**..**	**..**	**..**
Administered cash at beginning of financial year		**78**	**12**	**12**
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		**78**	**12**	**12**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. The increase in Service revenue is due to funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels, funding associated with higher than forecast capital expensing, enterprise bargaining arrangements, and transfer of the administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health. The increase is offset by deferred Australian Government funding relating to the National Health Reform on Improving Public Hospital Services and the National Healthcare Specific Purpose Payments (SPP), the Commonwealth Dental Program and essential vaccines.
2. Increase is due to greater than forecast revenue received from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with providing services to patients normally resident in other states.
3. Increase is due to funding from the Queensland Reconstruction Authority to provide health services in response to natural disaster events, higher than expected revenue from other Government departments and various Australian Government funded health services.
4. Increase in Employee expenses is associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements. The increase is offset by on-cost reimbursements, credited against salaries and wages, being higher than forecast.
5. Increase is associated with the purchase of supplies and services to support higher than forecast requirements for existing and new initiatives.
6. Increase is due to higher than forecast expenditure for existing initiatives and due to the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
7. Increase in Other expenses is due to higher than forecast sundry expenditure for existing and new initiatives and insurance.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

8. The increase in Service revenue is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, and increased depreciation funding in line with capital investment. The increase is also due to Australian Government funds for health services provided through the National Health Reform Agreement for Improving Public Hospital Services.
9. Increase is due to funding from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with providing services to patients normally resident in other states. Increase is also due to funding from the Australian Government for the Highly Specialised Drugs program.
10. Increase in Employee expenses is associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
11. Increase is associated with the purchase of supplies and services to support health service delivery for existing and new initiatives.
12. Increase is due to the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health and due to increased funding for existing initiatives and wage arrangements for non-Government organisations.
13. Depreciation expense increases with additional capital investment.
14. Increase in Other expenses is due to sundry expenditure for existing and new initiatives.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:

15. The increase in Service revenue is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, and increased depreciation funding in line with capital investment. The increase is also due to additional Australian Government funds for health services provided through the National Health Reform Agreement for Improving Public Hospital Services. These increases are offset by a reduction in Australian Government funds for essential vaccines and by additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels in 2010-11.
16. Decrease in Grants and other contributions stems from a number of state and Australian Government funded health agreements that are not yet signed or are to cease.
17. Increase in Employee expenses is associated with wage arrangements under enterprise bargaining arrangements, additional recruitment, and increased expenditure for new and existing initiatives.
18. Increase is due to the purchase of supplies and services to support health service delivery for existing and new initiatives.
19. Increase is due to wage arrangements for non-Government organisations and the Smart State Strategy, offset by a decrease in the capital grant to the James Cook University Dental School.
20. Depreciation expense increases with additional capital investment.

Statement of changes in equity

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

21. Increase is due to expected upward movements in interim and comprehensive revaluations of land and buildings.
22. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
23. Increase is due to the transfer of buildings from Department of Employment, Economic Development and Innovation to Queensland Health at the Cooper's Plains Food and Health Services Precinct.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

24. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.

25. Increase reflects investment in the capital program including Gold Coast University Hospital, Queensland Children's Hospital, Mackay Base Hospital, Townsville Hospital and Rockhampton Hospital.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
26. Increase reflects investment in the capital program including Gold Coast University Hospital, Queensland Children's Hospital, Mackay Base Hospital, Townsville Hospital and Rockhampton Hospital.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
27. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
28. Increase in Receivables is due to the Annual Leave Central Scheme (ALCS) and the Long Service Leave Central Scheme (LSLCS) receivable balances.
29. Increase predominately relates to prepayment of increased Queensland Government Insurance Fund (QGIF) premium.
30. Increase is due to recognition of share of Translational Research Institute (TRI) projected profit against investment.
31. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Robina Hospital Expansion, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
32. Reduction is due to deferrals in software development.
33. Decrease is due to movement from non-current to current prepayments.
34. Increase is due to end of year accrual for non-employee payroll creditors.
35. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accruals associated with recruitment for new and existing initiatives and enterprise bargaining arrangements.
36. Decrease is due to adjustments to the prepayment schedule for lease by TRI.
37. Decrease due to a realisation of unearned patient revenue.
38. Increase due to re-classification of pre-paid lease payments by the TRI from current to non-current.
39. Decrease reflects the deferral of equity related to the capital program and offset by equity injections.
40. Decrease is due to expected downward movements in interim and comprehensive revaluations of land and buildings.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
41. Increase is due to net cash provided by operating and non-operating activities.
42. Increase in Receivables is due to the ALCS and the LSLCS receivable balances.
43. Increase predominately relates to prepayment of increased QGIF premium.
44. Increase is due to recognition of share of TRI projected profit against investment.
45. Increase reflects investment in the capital program including, Queensland Children's Hospital, TRI, Gold Coast University Hospital, Mackay Base Hospital, Townsville Hospital, Rockhampton Hospital and other capital projects.
46. Increase is due to expected increase in software development.
47. Decrease is due to movement from non-current to current prepayments.
48. Increase is due to an increase in Sundry payables including Patient Transport and iPharmacy.
49. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accrual.
50. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
51. Decrease reflects the deferral of equity related to the capital program and offset by equity injections.
52. Increase due to re-classification of pre-paid lease payments, by TRI, from current to non-current.
53. Increase reflects investment in the capital program.
54. Increase predominately relates to prepayment of increased QGIF premium.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
55. Decrease is due to net cash used in investing activities.
56. Increase is due to recognition of share of TRI profit against investment.
57. Increase is due to an increase in Sundry payables including Patient Transport and iPharmacy.
58. Increase is due to expected increase in software development.
59. Increase is due to an increase in numerous small movements in sundry payables for existing and new initiatives.
60. Increase is due to Annual Leave Levy Payable and an increase in Salaries and Wages accruals associated with recruitment for new and existing initiatives and enterprise bargaining arrangements.
61. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
62. Increase is due to the re-classification of pre-paid lease payments by the TRI from current to non-current.
63. Increase reflects investment in the capital program.
64. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
65. Increase in Service receipts is associated with funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels, funding associated with higher than forecast capital expensive, enterprise bargaining arrangements, and transfer of the administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health. The increase is offset by Australian Government funding relating to the National Health Reform on Improving Public Hospital Services.
66. Increase is due to greater than forecast revenue received from the Department of Veterans Affairs, Q-COMP and revenue from other State Governments to cover the costs associated with treating patients normally resident in other states.
67. Increase is due to additional funding from the Queensland Reconstruction Authority to provide health services in response to natural disaster events, higher than expected revenue from other Government departments and various Australian Government funded health services.
68. Increase is due to balance sheet adjustments to more accurately reflect actual GST input tax credit inflows.

69. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements. The increase is offset by on-cost reimbursements, credited against salaries and wages, being higher than forecast.
70. Increase is associated with the purchase of supplies and services to support higher than forecast expenditure for existing and new initiatives.
71. Increase is due to balance sheet adjustment to more accurately reflect actual GST paid on purchase outflows.
72. Increase is due to higher than forecast expenditure for existing initiatives and the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
73. Increase is due to payment of numerous small sundry expenses for existing and new initiatives.
74. Increase is due to the sale of several properties.
75. Reduction is due to deferrals in the capital program including the Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
76. Increase is due to recognition of share of TRI projected profit against investment.
77. Decrease is due to adjustments in the schedule of payments, by TRI, for prepayment of finance lease.
78. Reduction is due to deferrals in the capital program including Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
79. Increase in Equity withdrawal due to return of cash for depreciation funding.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
80. Increase in Service receipts is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, funding related to the adoption of Ernst and Young recommendations for improving the health payroll system, increased depreciation funding in line with capital investment, and additional funding from the Australian Government for health services provided through the National Health Reform Agreement – Improving Public Hospital Services.
81. Increase is due to additional funding from the Department of Veteran's Affairs, Q-COMP and from other State Governments to cover the costs associated with treating patients normally resident in other states. Increase is also due to funding from the Australian Government for the Highly Specialised Drugs program.
82. Increase is due to higher than forecast expenditure for existing initiatives and the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health.
83. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
84. Increase is associated with the purchase of supplies and services to support expenditure for existing and new initiatives.
85. Reduction is due to deferrals in the capital program including the Gold Coast University Hospital, Mackay Base Hospital Redevelopment, Cairns Base Hospital, Rockhampton Hospital Expansion and other capital projects.
86. Increase is due to expenditure for existing initiatives, the transfer of administrative responsibility of community helicopter providers from the Department of Community Safety to Queensland Health, and wage arrangements for non-Government organisations.
87. Increase is due to sundry expenditure for existing and new initiatives.
88. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
89. Increase is due to recognition of share of TRI projected profit against investment.
90. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
91. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
92. Increase in Equity withdrawal due to return of cash for depreciation funding.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
93. Increase is due to funding for the More Beds for Hospitals Strategy, enterprise bargaining arrangements, increased depreciation funding in line with capital investment, and additional funding from the Australian Government for health services provided through the National Health Reform Agreement – Improving Public Hospital Services. These increases are offset by a reduction in Australian Government funding for essential vaccines and by additional funding as a consequence of higher than estimated costs including the demand for services being greater than budgeted levels in 2010-11.
94. Decrease is due to a number of state and Australian Government funded health agreements that are not yet signed or are likely to cease.
95. Increases in Employee costs are associated with additional recruitment, increased expenditure for new and existing initiatives and increases due to enterprise bargaining arrangements.
96. Increase due to the purchase of supplies and services to support expenditure for existing and new initiatives.
97. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
98. Increase reflects investment in e-Health Clinical Systems and other Software Development.
99. Increase is due to increases in the schedule of payments, by TRI, for prepayment of finance lease.
100. Increase in Cash assets is due to net cash provided by operating and non-operating activities.
101. Increase in Equity withdrawal due to return of cash for depreciation funding.

Administered income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
102. Increase is due to funding provided for the Health Quality and Complaints Commission's (HQCC) payroll project.
103. Increase is due to a grant provided to the HQCC for their payroll project.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
104. Increase is due to funding provided for the HQCC payroll project.
105. Increase is due to on-payment of funding from the Government by a grant to the HQCC for their payroll project, enterprise bargaining arrangements and on-payment of funding from the Government by a grant to the Mater, for repayment of the Queensland Treasury Corporation (QTC) loan for redevelopment of the public hospital component.
106. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
107. Increase is due to on-payment of funding from the Government by a grant to the Mater, for repayment of the QTC loan for redevelopment of the public hospital component.
108. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Administered balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
109. Increase reflects the transfer from non-current of the current receivable portion of the loan for the Mater Hospital for the redevelopment of the public hospital component.
110. Increase reflects the transfer from non-current to current liability for the amount payable to QTC in respect of borrowings for the Mater Hospital redevelopment loan.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
111. Increase reflects the transfer from non-current of the current receivable portion of the loan for the Mater Hospital for the redevelopment of the public hospital component.
112. Decrease reflects the transfer from non-current to current receivable for the portion of the advance to the Mater Hospital for repayment.
113. Increase reflects the transfer from non-current to current liability for the amount payable to QTC in respect of borrowings for the Mater Hospital redevelopment loan.
114. Decrease reflects the repayment of the borrowings to QTC for the Mater Hospital redevelopment loan and the transfer from non-current of the current payable portion of the borrowings to QTC.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
115. Decrease reflects the transfer from non-current to current receivable for the portion of the advance to the Mater Hospital for repayment.
116. Decrease reflects the repayment of the borrowings to QTC for the Mater Hospital redevelopment loan and the transfer from non-current of the current payable portion of the borrowings to QTC.

Administered cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
117. Increase is due to funding provided for the HQCC payroll project.
118. Increase is due to on-payment of funding from the State Government by a grant to the HQCC for their payroll project.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
119. Increase is due to funding provided for the HQCC payroll project.
120. Increase is due to on-payment of funding from the Government by a grant to the HQCC for their payroll project, enterprise bargaining arrangements and on-payment of funding from the Government by a grant to the Mater for repayment of the QTC loan for redevelopment of the public hospital component.
121. Increase is due to receipt of repayment by Mater for an advance of borrowings from QTC for funding the public component of the Mater Hospital redevelopment.
122. Increase is due to repayments against loan from QTC for the Mater Hospital redevelopment.
123. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
124. Increase is due to on-payment of funding from the Government by a grant to the Mater for repayment of the QTC loan for redevelopment of the public hospital component.
125. Increase is due to receipt of repayment by Mater for advance of borrowings from QTC for funding the public component of the Mater Hospital redevelopment.
126. Increase is due to repayments against loan from QTC for the Mater Hospital redevelopment.
127. Decrease in interest associated with borrowings from QTC for the public component of the Mater Hospital redevelopment.

Statutory Bodies

Health Quality and Complaints Commission

OVERVIEW

The Health Quality and Complaints Commission (the HQCC) is an independent statutory body established under the *Health Quality and Complaints Commission Act 2006*. The HQCC contributes to the Government's *Toward Q2: Tomorrow's Queensland* ambition Healthy - *Making Queenslanders Australia's healthiest people*.

The HQCC's strategic objectives are to:

- drive healthcare safety and quality improvement by managing complaints effectively; analysing and sharing information; identifying opportunities for reducing risk; and investigating for systemic improvement
- grow community benefit by communicating health service improvements; delivering quality client service; and preserving and promoting healthcare rights
- strengthen HQCC's leadership and independence by building the agency's reputation as Queensland's independent health watchdog; securing independent funding, reporting and functional arrangements; and transitioning to national healthcare standards while retaining a quality monitoring function
- strengthen business operations by redefining core activities and realigning resources, structure and processes; investing further in staff and system development; streamlining and enhancing legislative powers and functions; and maintaining financial sustainability.

The National Health Reform Heads of Agreement signed by the Australian Government and all states and territories on 13 February 2011 will have a substantial impact on the functions of the HQCC and the healthcare provider organisations and practitioners the HQCC oversees from 1 July 2011.

REVIEW OF PERFORMANCE

Recent achievements

The HQCC has recently:

- launched updated healthcare standards for Queensland's 226 acute and day hospitals
- managed 1,760 healthcare complaints and 84 investigations between 1 July 2010 and 31 March 2010
- implemented a Memorandum of Understanding between the Australian Health Practitioner Regulation Agency, the HQCC and other interstate health complaints entities to streamline complaint management
- undertaken research on analysing doctor complaint patterns. The HQCC continues to work with other health complaint entities, the Medical Board of Australia and universities to develop tools to identify and respond to doctors with multiple complaints.

Future developments

Future activities of the HQCC include:

- monitoring acute and day hospital compliance with the updated healthcare standards
- publishing a special report on medical practitioner credentialing and other related matters
- measuring community perceptions of healthcare safety and quality
- reviewing the HQCC's complaints, investigations and quality monitoring functions to improve quality and efficiency.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
		70	70	70

Note:
1. Full-time equivalents (FTEs) as at 30 June.

PERFORMANCE STATEMENT

	Notes	2010-11 Target/est.	2010-11 Est. actual	2011-12 Target/est.
Service standards				
Percentage of client satisfaction with complaint service:	1	New measure		
• ease of access	2		-	75%
• staff			80%	75%
• timeliness	2		-	75%
• quality			76%	75%
• outcome			61%	50%
• overall			75%	75%
Percentage of investigation recommendations implemented by healthcare providers within agreed timeframes	3	New measure	74%	75%
Percentage of quality monitoring recommendations implemented by healthcare providers within agreed timeframes	5,6	New measure	-	75%
Other measures				
Percentage of complaints in early resolution closed within 30 days		100%	94%	100%
Percentage of complaints in assessment closed within 90 days		100%	92%	100%
Percentage of complaints in conciliation closed within 12 months	4	75%	60%	60%
Percentage of investigations closed within 12 months		70%	81%	70%
Percentage of Queensland acute and day hospital compliance with HQCC healthcare standards	7	New measure	93%	90%
State contribution ($000)		**9,598**	**9,914**	**10,304**
Other revenue ($000)		**245**	**256**	**256**
Total cost ($000)		**9,843**	**10,170**	**10,560**

Notes:
1. New effectiveness measure for the HQCC's complaint management work.
2. New client satisfaction measure introduced in April 2011. Data to be reported in 2010-11Annual Report.
3. The HQCC actively monitors healthcare provider implementation of its investigation recommendations to prevent patient harm and improve the safety and quality of health services. Recommendations and timeframes for implementation are agreed with healthcare providers and the HQCC requires regular implementation progress reports until complete.
4. The 2011-12 Target/estimate has been reduced from 75% in 2010-11 to 60% in 2011-12 following analysis of the conciliation case mix. Complex healthcare complaints generally take more than 12 months to conciliate.
5. The HQCC actively monitors healthcare provider implementation of its quality monitoring recommendations to prevent patient harm and improve the safety and quality of health services. Recommendations and timeframes are agreed with healthcare providers and the HQCC requires regular implementation progress reports until complete.
6. New quality monitoring measure introduced in March 2011. Data to be reported in 2010-11Annual Report.
7. The HQCC requires Queensland's acute and day hospitals to report their compliance with the standards, which aim to set achievable and consistent benchmarks in key clinical and governance areas.

INCOME STATEMENT

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
Service revenue		..	..	..
User charges		..	..	..
Grants and other contributions	1,2,3	9,598	9,914	9,898
Other revenue		245	256	256
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		**9,843**	**10,170**	**10,154**
Expenses				
Employee expenses		7,290	7,403	7,341
Supplies and services		2,095	2,309	2,354
Grants and subsidies		..	..	..
Depreciation and amortisation		430	430	430
Finance/borrowing costs		..	..	..
Other expenses		28	28	29
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		**9,843**	**10,170**	**10,154**
OPERATING SURPLUS/(DEFICIT)		**..**	**..**	**..**

STATEMENT OF CHANGES IN EQUITY

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**..**	**..**	**..**
Surplus/(deficit) for the period		..	..	..
Total recognised income and expense for the period		**..**	**..**	**..**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**..**	**..**	**..**

BALANCE SHEET

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	4,5,6	1,919	1,444	1,874
Receivables		239	93	93
Other financial assets		..	..	..
Inventories		..	..	..
Other		39	46	46
Non-financial assets held for sale		..	..	..
Total current assets		**2,197**	**1,583**	**2,013**
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		1,685	1,760	1,410
Intangibles		568	767	687
Other		..	..	..
Total non-current assets		**2,253**	**2,527**	**2,097**
TOTAL ASSETS		**4,450**	**4,110**	**4,110**
CURRENT LIABILITIES				
Payables		803	1,041	1,041
Accrued employee benefits		769	620	620
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		139	139	139
Total current liabilities		**1,711**	**1,800**	**1,800**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		124	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		1,198	1,080	1,080
Total non-current liabilities		**1,322**	**1,080**	**1,080**
TOTAL LIABILITIES		**3,033**	**2,880**	**2,880**
NET ASSETS/(LIABILITIES)		**1,417**	**1,230**	**1,230**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)		1,417	1,230	1,230
Reserves:				
- Asset revaluation surplus		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		**1,417**	**1,230**	**1,230**

CASH FLOW STATEMENT

Health Quality & Complaints Commission	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Service receipts		..	..	..
User charges		..	..	..
Grants and other contributions	7,8,9	9,598	9,914	9,898
Other		245	256	256
Outflows:				
Employee costs		(7,290)	(7,403)	(7,341)
Supplies and services		(2,095)	(2,309)	(2,354)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(28)	(28)	(29)
Net cash provided by/(used in) operating activities		**430**	**430**	**430**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**..**	**..**	**..**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**..**	**..**
Net increase/(decrease) in cash held		**430**	**430**	**430**
Cash at the beginning of financial year		**1,489**	**1,014**	**1,444**
Cash transfers from restructure		..	..	..
Cash at the end of financial year		**1,919**	**1,444**	**1,874**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
1. Increase due to Queensland Health providing funding for the transition of the new payroll system to the Corporate Administration Agency (CAA).

Major variations between 2010-11 Budget and 2011-12 Estimate include:
2. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
3. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and Enterprise Bargaining Agreement (EBA).

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
4. Decrease due to cash at bank being a near nil balance.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
5. Decrease due to cash at bank being a near nil balance.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
6. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:
7. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA.

Major variations between 2010-11 Budget and 2011-12 Estimate include:
8. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Major variations between 2010-11 Estimated actual and the 2011-12 Estimate include:
9. Increase due to Queensland Health providing funding for the transition of the new payroll system to CAA and EBA.

Queensland Institute of Medical Research

OVERVIEW

Established under the *Queensland Institute of Medical Research Act (1945)* as a statutory body, the Queensland Institute of Medical Research (QIMR) is one of the largest medical research organisations in the southern hemisphere, globally recognised for the quality of its research. QIMR conducts medical research with an emphasis on a translational approach, including through Q-Gen, QIMR's manufacturing facility for cell therapy. QIMR conducts medical research which aligns with the Queensland Government's *Smart State Strategy 2005–2015* and *Toward Q2: Tomorrow's Queensland* ambitions of Healthy – *Making Queenslanders Australia's healthiest people* and Strong – *Creating a diverse economy powered by bright ideas*. This is evidenced by research undertaken by QIMR across the following primary research programs:

- Cancer
- Infectious Diseases
- Mental Health and Complex Disorders.

Following amendment to the *Queensland Institute of Medical Research Act (1945),* the QIMR Trust was abolished, effective from 1 February 2011. The functions of the former Trust, to receive, manage and invest donations and bequests on behalf of QIMR, has been assumed by The Council of the Queensland Institute of Medical Research.

In 2011-12, QIMR will receive funding of $14 million from the Queensland Government. This funding enables QIMR to successfully bid for competitive peer-reviewed medical research grants. The two largest funders of research at QIMR are the National Health and Medical Research Council Australia (NHMRC) and the National Institutes of Health (USA). QIMR receives significant funding from other bodies such as the Cancer Council Queensland and the Leukaemia Foundation of Queensland.

QIMR has partnerships in the Cooperative Research Centre for Aboriginal Health, the Australian Centre for Vaccine Development, the Queensland Tropical Health Alliance, and participation in start up companies.

QIMR's current activities include:

- researching the genetic and environmental causes of cancer in the hope of developing better treatments and diagnostics
- embarking on the largest skin cancer research study ever conducted in Australia. The QSkin study will invite more than 200,000 men and women to participate in a study in an effort to refine our understanding of the factors that underlie skin cancer risk
- establishing the new Mental Health Division with the goal of understanding the causes of a range of major mental illnesses, including schizophrenia, bipolar and depression in order to improve detection and treatment
- continuing research into diseases prevalent in developing countries including malaria, schistosomiasis, dengue fever and lieshmaniasis
- heading up the largest Australian study of asthma genetics
- furthering the development of the Vector-borne Disease Early Detection and Surveillance (VEDS) System
- QIMR currently has 117 visiting scientists and 118 students completing PhD, masters and honours degrees.

REVIEW OF PERFORMANCE

Recent achievements

QIMR has recently:

- identified a new gene linked to schizophrenia and bipolar disorder
- used an experimental immunotherapy treatment to help a bone marrow transplant patient overcome a life threatening infection
- effectively prevented mosquitoes from spreading dengue fever by infecting them with a naturally occurring bacterium, Wolbachia
- assisted the World Health Organization identify the best malaria rapid diagnostic tests to control malaria
- found two new genes that increase the risk of late onset Alzheimer's disease
- proved the consumption of moderate amounts of alcohol during pregnancy affects the expression of genes in the developing fetus and that these changes last into adulthood
- identified a potential new target for future anti-malarial drugs, an enzyme used by the malaria parasite to obtain nutrients
- developed a simple blood test to monitor risk of contracting cytomegalovirus which is one of the leading causes of death for transplant patients
- identified and successfully treated a previously undiagnosed condition, an immune defect that leads to fulminant infectious mononucleosis
- discovered the cumulative effect of lots of small genetic variations in many of our genes determine complex traits such as height
- identified a new variant of a gene that helps regulate iron and haemoglobin levels
- commenced human clinical trials using live malaria to develop a method to test future anti-malarial drugs
- identified two gene variants that double the risk of developing melanoma
- discovered the human liver fluke (Opisthorchis viverrini) contributes to the development of liver cancer by secreting granulin
- identified a gene variant associated with increased survival in breast cancer patients
- found that drinking more than four cups a day of black, green or herbal tea reduces ovarian cancer risk by almost 30%
- found that women who eat processed meat several times a week increase their risk of developing ovarian cancer by 20%
- discovered the bacteria that cause stomach ulcers dramatically reduce the risk of oesophageal cancer
- developed a compound from the rainforest that has shown significant anti-cancer activity in animal cancers.

Future developments

QIMR's smart state medical research centre is due for completion in early 2012. The new facility will accommodate an additional 400 scientists in 20 purpose built research laboratories and serve to link the two existing QIMR buildings. The research centre will increase QIMR's current research capacity in areas such as tropical diseases, vaccine development, cancer and genetics and allow for the development of a new mental health research division, and facilitate the expansion of QIMR's highly successful education program.

STATEMENTS

STAFFING[1]

	Notes	2010-11 Budget	2010-11 Est. actual	2011-12 Estimate
	2	440	432	452

Notes:
1. Full-time equivalents (FTEs) as at 30 June.
2. This does not include visiting scientists or students.

INCOME STATEMENT

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Income				
User charges		5,100	4,780	4,868
Grants and other contributions	1,7	140,826	130,864	142,243
Other revenue	6	8,019	4,752	3,576
Gains on sale/revaluation of property, plant and equipment and investments	2	..	6,410	3,922
Total income		**153,945**	**146,806**	**154,609**
Expenses				
Employee expenses	4,8	42,905	42,349	45,583
Supplies and services	3,9	27,198	25,734	28,421
Grants and subsidies		..	..	..
Depreciation and amortisation	5	5,458	5,367	7,490
Finance/borrowing costs		..	..	..
Other expenses		1,548	1,643	746
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Profit of Associate and Joint ventures		..	..	..
Total expenses		**77,109**	**75,093**	**82,240**
OPERATING SURPLUS/(DEFICIT)		**76,836**	**71,713**	**72,369**

STATEMENT OF CHANGES IN EQUITY

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
Net effect of the changes in accounting policies and prior year adjustments		..	138	..
Increase/(decrease) in asset revaluation reserve		904	1,287	1,300
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		**904**	**1,425**	**1,300**
Surplus/(deficit) for the period		76,836	71,713	72,369
Total recognised income and expense for the period		**77,740**	**73,138**	**73,669**
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)		..	..	..
Total movement in equity for period		**77,740**	**73,138**	**73,669**

BALANCE SHEET

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CURRENT ASSETS				
Cash assets	10	81,428	114,641	49,173
Receivables		6,837	11,545	11,568
Inventories		276	281	281
Other		800	545	550
Non-financial assets held for sale		..	..	..
Total current assets		**89,341**	**127,012**	**61,572**
NON-CURRENT ASSETS				
Receivables		..	..	..
Investments accounted for using the equity method		619	490	490
Other financial assets	12	79,374	64,268	68,209
Property, plant and equipment	14,17	209,718	198,717	267,488
Total non-current assets		**289,711**	**263,475**	**336,187**
TOTAL ASSETS		**379,052**	**390,487**	**397,759**
CURRENT LIABILITIES				
Payables	11,15,18	90,023	110,275	43,382
Accrued employee benefits		1,155	1,181	1,181
Interest-bearing liabilities and derivatives		21	23	23
Provisions		121	121	121
Other		..	193	689
Total current liabilities		**91,320**	**111,793**	**45,396**
NON-CURRENT LIABILITIES				
Payables		..	..	..
Accrued employee benefits		786	644	644
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		**786**	**644**	**644**
TOTAL LIABILITIES		**92,106**	**112,437**	**46,040**
NET ASSETS/(LIABILITIES)		**286,946**	**278,050**	**351,719**
EQUITY				
Capital/contributed equity		..	..	..
Accumulated surplus/(accumulated deficit)	13,16	239,250	236,156	308,525
Reserves:				
- Asset revaluation surplus		47,696	41,894	43,194
- Other (specify)		..	..	..
TOTAL EQUITY		**286,946**	**278,050**	**351,719**

CASH FLOW STATEMENT

Queensland Institute of Medical Research	Notes	2010-11 Budget $'000	2010-11 Est. act. $'000	2011-12 Estimate $'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		5,100	764	4,845
Grants and other contributions	20,27	140,826	131,537	142,243
Interest received		1,374	1,852	1,675
Other		6,645	1,259	1,851
Outflows:				
Employee costs	24	(42,905)	(42,484)	(45,583)
Supplies and services	23,26	(27,332)	(24,870)	(37,022)
Grants and subsidies	19,22,25	10,197	23,522	(58,296)
Borrowing costs		..	..	..
Other		(1,548)	4,375	(220)
Net cash provided by/(used in) operating activities		**92,357**	**95,955**	**9,493**
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	3	..
Investments redeemed	21	..	6,159	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(74,951)	(69,192)	(74,961)
Payments for investments		(3,676)	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		**(78,627)**	**(63,030)**	**(74,961)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	1	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		**..**	**1**	**..**
Net increase/(decrease) in cash held		**13,730**	**32,926**	**(65,468)**
Cash at the beginning of financial year		**67,698**	**81,715**	**114,641**
Cash transfers from restructure		..		
Cash at the end of financial year		**81,428**	**114,641**	**49,173**

EXPLANATION OF VARIANCES IN THE FINANCIAL STATEMENTS

Income statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

1. Income recognised for grants received for the construction of the Smart State Medical Research Centre (SSMRC). Initial budget estimates forecast an increase in the cost of construction. Market forces affecting the construction industry have resulted in lower construction costs. The Capital Endowment Campaign budgeted for 2010-11 is on hold pending other fundraising initiatives.
2. Investment returns achieved on managed funds surpassed the conservative budget estimates for 2010-11.
3. Capital Endowment Campaign consultant costs are not included as the campaign is on hold.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

4. Employee Expenses increased in line with expectations of the new Enterprise agreement (Current agreement expires on 31 August 2011), additional researcher salary support, and some increases in staff numbers related to services commencing in the completed SSMRC.
5. Increased depreciation charge due to Building and Plant & Equipment capitalised following completion of the SSMRC building project.
6. Deferral of the capital expenditure reimbursement related to the Qld Tropical Health Alliance (QTHA) has resulted in a deferral of the reimbursement to QIMR.

Major variations between 2010-11 Estimated actual and 2011-12 Budget Estimate include:

7. Final stages of construction & fitout of the SSMRC. Expenditure to increase in line with complexity, cost, and staffing required to fitout mechanical & electrical equipment. Includes refurbishment costs of Bancroft Centre.
8. Employee Expenses increased in line with expectations of the new Enterprise agreement (Current agreement expires on 31 August 2011), additional researcher salary support, and some increases in staff numbers related to services commencing in the completed SSMRC.
9. Increased utilities costs in line with commissioning of SSMRC building.

Balance sheet

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

10. Funds transferred from Managed Funds to short term deposits for unexpended grant funds related to SSMRC. Savings on construction costs of SSMRC resulted in higher cash balance.
11. Savings on construction costs of SSMRC resulted in higher unexpended grants balance.
12. Funds transferred from Managed Funds to short term deposits for unexpended grant funds related to SSMRC. Returns on conservative long term investments below expected for period January - June 2010.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

13. Income recognised for grants received for the construction of the SSMRC. $72.3 million in 2011-12.
14. Capitalisation of construction & fitout costs related to SSMRC.
15. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.

Major variations between 2010-11 Estimated actual and 2011-12 Budget estimate include:

16. Income recognised for grants received for the construction of the SSMRC. $72.3 million in 2011-12.
17. Capitalisation of construction & fitout costs related to SSMRC.
18. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.

Cash flow statement

Major variations between 2010-11 Budget and 2010-11 Estimated actual include:

19. In 2010-11, grant funds received will be greater than expenditure, resulting in an increase in the unexpended grant balance. As expenditure will be lower than expected, unexpended grant balance will be higher.
20. Income recognised for grants received, accounted for on matching principle against the construction costs of the SSMRC is lower than budget.
21. Redemption of managed funds to meet operational cash requirements ($4 million) due to timing of receipt of grant income.

Major variations between 2010-11 Budget and 2011-12 Estimate include:

22. In 2011-12, construction costs on SSMRC forecast to be $72.3 million, compared to income from grants and investments of $14.1 million. In 2010-11 grant income for the project was greater than expenditure.
23. Payment of June contractor invoices for SSMRC that will be accrued at 30 June 2011, invoices paid in 2011-12. Some additional utilities costs associated with the commissioning of SSMRC.
24. Refer note 4 above.

Major variations between 2010-11 Estimated actual and 2011-12 Budget Estimate include:

25. Ramp up of expenditure on final stages of construction & fitout of SSMRC will deplete unexpended grant balance in 2011-12.
26. Payment of June contractor invoices for SSMRC that will be accrued at 30 June 2011, invoices paid in 2011-12. Some additional utilities costs associated with the commissioning of SSMRC.
27. Final stages of construction & fitout of the SSMRC. Expenditure to increase in line with complexity, cost, and staffing required to fitout mechanical & electrical equipment. Includes refurbishment costs of Bancroft Centre.