

# A. Entity responses

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As mandated in s. 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with an invitation to comment to the Department of Health.

We also provided a copy of the report to the following and gave them the option of providing a response:

- Minister for Health and Ambulance Services
- board chairs of the 16 hospital and health services
- chief executive officers of the 16 hospital and health services.

We provided a copy of this report to the Premier and Minister for the Olympic and Paralympic Games and the Director-General, Department of the Premier and Cabinet for their information.

This appendix contains the response we received.

The head of this entity is responsible for the accuracy, fairness, and balance of their comments.



# Comments received from Director-General, Department of Health



Queensland Health

Enquiries to:

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C-ECTF-23/1102

Mr Brendan Worrall  
Auditor-General  
Queensland Audit Office  
Level 14, 53 Albert Street  
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Dear Mr Worrall

Thank you for your email dated 30 January 2023, regarding Queensland Audit Office's (QAO) proposed report to Parliament titled 'Health 2022'.

I acknowledge receipt of the report and the contents proposed to be included in this report. I am responding on behalf of the Department of Health (Department) and the 16 Hospital and Health Services (HHSs) to provide a single health system response.

It is pleasing to note the Department and all 16 HHSs received unmodified opinions on their annual financial statements for the 2021-22 financial year. It is also positive to note the tabling of all Health sector Annual Reports has occurred within the legislative deadlines, despite the operational challenges this presents.

Noted below are our responses to matters raised in the proposed report.

#### Recommendation 1: Strengthening of information system and cybersecurity controls

Queensland Health continues to be vigilant about information systems controls and cyber security risks. The resolution, in recent years, of controls and recommendations highlighted in previous reports is evidence of our continued focus on strengthening cyber security. We have in place a continuous program to manage cyber security risks including ransomware. The program includes training, awareness and targeted campaigns and cultural practice improvement initiatives to ensure a cyber aware workforce. The eHealth Queensland division continually works to manage cyber security strategies for the prevention, detection, response and recovery from any cyber-attacks or other threats to information systems.

#### Financial sustainability

QAO has commented on health entities' ongoing financial sustainability. The proposed report notes that while HHSs have a combined operating surplus of \$42 million (2020-21: \$33 million operating surplus) this was partly due to the Australian Government extending its minimum hospital funding guarantee in 2021-22 in recognition of the impact of the COVID-19 pandemic. Nine of the 16 HHSs reported an operating surplus, and seven reported an operating deficit (2020-21: two HHSs reported a deficit).

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Queensland Health recognises the financial sustainability challenges which remains a key focus of all Queensland Health leadership teams and their staff. As noted in your report, the HHSs were again hampered in their delivery of planned activity in 2021-22 by the ongoing impact of COVID-19 on the system, and its impact on system capacity issues resulting from sick and special leave taken and staff stood down due to their vaccination status. Queensland Health continues to focus on strategies to support increased productivity and the delivery of required service levels.

Future capital requirements to meet changing service delivery needs

Queensland Health understands the impact on ongoing population growth and other demographic factors and the related demand this places on future capital requirements and asset maintenance. Your proposed report notes that HHSs continue to face significant challenges in funding the anticipated maintenance of their assets. QAO recommends that all 17 entities should continue work on addressing Recommendation 5 from the QAO report Health 2020 (Report 12: 2020-21), which is to prioritise high-risk maintenance.

The Department and HHSs continue to work together on strategies to better manage anticipated maintenance and the whole of life cycle cost, including the level of maintenance investment required to sustain the built environment. The Department continues to work with HHSs to categorise items recorded in the anticipated maintenance register based on the type of expenditure (for example, deferred operational maintenance, capital maintenance) and projected year for completion. The processes in place provide a mechanism for the identification and prioritising of high-risk maintenance within the constraints of available financial resources.

The increasing demand for health services

I appreciate QAO recognising the constantly increasing demand for all services provided by the Health system including Queensland Ambulance Service (QAS), and the challenges presented by the COVID-19 pandemic. In addition to the impact of COVID-19, your proposed report notes that the system continues to experience constantly increasing demand arising from Queensland's increasing population. Queensland's ageing population is another factor in the increasing demand for services.

QAO has recognised that despite having the highest number of responses in Australia, in proportion to the state's population, QAS has managed to achieve better response times for emergency cases (Code 1) than most other jurisdictions. The proposed report notes that the increasing demand for all QAS services has contributed to the increased time it takes the ambulance crews to transfer patients into the care of emergency departments. The proposed report recognises that the COVID-19 pandemic has placed further pressure on emergency departments. Hospitals have had to adopt new infection control measures for the safety of staff and patients. These requirements increase the time taken to provide treatment and affect patient flow.

Queensland Health is constantly reviewing processes to reduce the time that it takes to transfer the care or handover of a patient to an emergency department. As noted in your proposed report, a key factor in the time it takes to transfer a patient is the increase in emergency department demand for both ambulance patients and walk-in patients. The Department is constantly working on improving emergency services. In this, it continues to be supported by the Queensland Government's Care4Qld Strategy announced back in May 2021, which aims to improve access to emergency services and unplanned care across Queensland. The commitment for additional beds under this program continues to be progressively rolled out, but the full expected benefits to reduction in patient transfer times is yet to be fully realised as a result of the additional pressures in place due to COVID-19.

Should you require further information, the Department of Health's contact is

Yours sincerely



Shaun Drummond  
Director-General  
21/02/2023

