The health sector has faced an upward trend in health costs over the past decade both nationally and internationally.

This trend is expected to continue into the future, with predictions of a compound annual growth of 3.7% in health services costs between 2015 and 2020 to a projected $138.5 billion.\(^1\) Our nation’s aging population is currently estimated to account for 34.3% of the health services costs, and this is expected to continue expanding over the next five years.\(^2\)

Apart from the shift in consumers’ preference for higher quality health resources and services and an aging population, the health industry is also shaped by government policies.

In coming months, McCullough Robertson will be providing an overview of a range of major issues that affect Australia’s health sector in a series of bulletins. This first bulletin will look at the effect of Australia’s volatile political climate on the implementation of state and federal health policies. It will focus on changes which are expected to occur in Queensland with the recent change of State Government.

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\(^1\) IBISWorld Health Services in Australia: Market Research Report November 2014

\(^2\) IBISWorld Health Services in Australia: Market Research Report November 2014
After nearly two weeks of uncertainty following the 2015 State election, Queensland’s new government has been announced. The Australian Labor Party (ALP) won 44 seats, and with the support of Sunshine Coast independent MP Peter Wellington, formed a minority government with 45 seats. The Liberal National Party (LNP) has 42 seats.

The 14 new cabinet ministers that were sworn in on Monday, 16 February 2015, included:

- Mr Cameron Dick
  Minister for Health and Ambulance Service.

- Ms Shannon Fentiman
  The Minister for Communities, Women and Youth, the Minister for Child Safety and the Minister for Multicultural Affairs.

- Ms Coralee O’Rourke
  The Minister for Disability Services, the Minister for Seniors and the Minister assisting the Premier on North Queensland.
The ALP provided four distinct health policies during the election:

- a ‘Refresh Nursing!’ policy,
- a ‘Nursing Guarantee’ policy,
- a ‘Rebuilding intensive mental healthcare for young people’ policy, and
- a ‘Health for Life! Taking action on diabetes’ policy.

The ALP proposed a total expenditure of $270 million over four years to make improvements to Queensland’s health system, with an emphasis on the employment of nurses in Queensland, and a smaller budget for youth mental health care and diabetes.

Under the ALP’s signature policy, the ‘Nursing Guarantee’, the party has allocated a budget of $110 million over four years to employ 440 extra nurses in order to improve patient-to-nurse ratios to increase patient safety. This funding will be included within the existing Hospital and Health Services (HHS) allocations of $11 billion a year.

The ALP has further budgeted $111 million under its ‘Refresh Nursing!’ program to employ 1,000 graduate nurses per annum over four years. The ALP has indicated that this will be funded from two sources:

- Queensland Health will fund 25% of the graduate nurse salary at a cost of approximately $28 million for each year of the program, and
- The HHSs will fund 75% of the graduate nurse salary at a cost of $84 million per annum from the $11 billion allocated to them. The $11 billion allocated to the HHSs also includes funding for the employment of additional Nurse Educators to implement the ‘Refresh Nursing!’ policy.

According to the ALP, it will also advocate for a fair contribution to public hospital funding on a federal level, which will include funding for the education and workforce development roles of public teaching hospitals and clinical activities of patient care, and the coordination of care in the community and in the aged care sector.

In addition to the budget for the employment of nurses, the ALP has also budgeted $17.8 million for new mental health care for young people and almost $28 million to tackle diabetes.

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4 Brisbane Times, Queensland Election 2015: LNP and Labor’s policies in 10 key areas, 11 February 2015
5 ALP Nursing Guarantee policy, page 5
6 ALP Nursing Guarantee policy, page 5
7 ALP Refresh Nursing policy, page 4
8 Brisbane Times, Queensland Election 2015: LNP and Labor’s policies in 10 key areas, 11 February 2015
The LNP established 16 HHS boards in July 2012 with the purpose of decentralising the health bureaucracy. This transferred staffing power from Queensland Health to local health and hospital boards.

According to Premier Palaszczuk, the ALP will retain these HHS boards. However she pointed out that more emphasis would be placed on the health minister’s responsibilities. 9

With retention of the HHS boards, the ALP has indicated that it will continue to allocate $11 billion per annum in the Health Budget for the provision of public healthcare services from the boards. 10

The ALP will retain HHS boards and indicated it will continue to allocate $11 billion per annum for public healthcare services... while placing more emphasis on the health minister’s responsibilities. 9

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9  The Courier Mail, Palaszczuk: Labor to retain Hospital and Health Service boards, 12 February, 2015
10  Sunshine Coast Daily, Labor will kick-start 4000 nursing careers, 11 February, 2015
The LNP had proposed that, commencing July 2015, a Queensland health Ombudsman would audit and report data on the duration that patients at public hospitals must wait for surgery and emergency treatment. Former Minister for Health, Mr Lawrence Springborg, had indicated that the Ombudsman, Mr Leon Atkinson-MacEwen, would report on more areas of public hospital performance in the future.  

The ALP has indicated that it would retain the health Ombudsman but that it would review the appropriateness of its role as a vehicle for ensuring system-wide patient safety, quality improvement in both clinical care and health service management and for the dissemination of health system performance data.  

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11 The Australian, Independent umpire to watch Qld Hospitals, 11 February, 2015
12 ABC News, Queensland election 2015: Labor promises to employ an extra 400 health workers, 11 February, 2015
During the previous government’s term it had committed to substantially increasing funding for disability services. The NDIS is a new way of providing support for people with permanent and significant disability that affects their ability to take part in everyday activities through the development of individualised plans.

The state government NDIS agreement was signed with the intention of increasing Queensland’s disability funding from $959 million in 2012-2013 to $1.77 billion per annum on disability related services by 2018-2019.  

The NDIS will start in Queensland from 1 July 2016. 

The ALP intends to sign Queensland up for an NDIS trial site, and has indicated its commitment to announce the regions in which the initial roll out of the NDIS trial sites will occur. According to Mr Tim Mulherin, the ALP intends to initiate a stakeholder consultation.

The ALP has also indicated its commitment to addressing the needs of all Queenslanders. Ms Coralee O’Rourke, the Minister for Seniors, will oversee a number of matters such as the introduction of a ‘one-stop-shop’ for seniors. The ‘one-stop-shop’ is a recently introduced government website that provides advice, advocacy and access to service for Queenslanders over 65. This website contains information for seniors, ranging from information on concessions to transport to issues on health and grand parenting.
For more information, please contact your McCullough Robertson health industry contacts. Keep a look out for McCullough Robertson’s next health bulletin or visit our Health site.