SMB60

SB022486.

Queensland Government
Queensland Health

FYI.

SUBMISSION TO THE DIRECTOR-GENERAL

DATE:	31 March 2005		
PREPARED BY:	Therese Kelly A/Principal Project Officer Health Systems Development	**Contact No:**	3131 6921
CLEARED BY:	Moina Lettice A/Director Statewide Health Unit	**Contact No:**	3131 6979
SUBMITTED THROUGH:	Linda Dawson A/Senior Executive Director, Health Services 31/3/05	**Contact No:**	
DEADLINE:	Friday 1 April 2005	**File Ref:**	

SUBJECT: Development of the Elective Procedures Program from 1 July 2005

APPROVED/ ~~NOT APPROVED~~

COMMENTS

Endorsed
SEDHS
4/4/05

→ COLO + ED, SH + CSB
Could we discuss please
SEDHS
16/4/05

Approval Noted
(1) Copy to [illegible]
(2) Contact Cheryl B to make appt as requested by Dr Scott [illegible]

DR STEVE BUCKLAND
Director-General
14/04/06

PURPOSE:

To seek endorsement from the Director-General to develop the Elective Procedures Program.

BACKGROUND:

The Elective Surgery Program commenced in Queensland in 1995/1996, with the primary purpose being to purchase additional elective surgery over and above what was possible within a Hospital's base budget. Surgery funded under the Program is paid at a marginal rate to take advantage of spare capacity in services where fixed costs are covered in base budgets. Elective surgery funding is predominantly directed towards open surgical operations (eg. invasive procedures).

In July 1998, the Government gave a commitment to significantly expand previous strategies to reduce waiting times in Queensland public hospitals by launching the *Waiting List Reduction Strategy*. The *Strategy* originally involved an eight-point plan to reduce elective surgery waiting times, with a further element subsequently added to administer the collection of waiting times for specialist outpatients appointments. In February 2001, the Government's health policy provided further commitments for the enhancement of surgical services in public hospitals.

Since the inception of the *Waiting List Reduction Strategy*, the Surgical Access Service (SAS) has been responsible for developing, implementing, analysing, and reporting progress against the *Strategy* and providing expert advice relating to emergency department, specialist outpatient, and elective surgery services.

Recently in January 2005, the Elective Surgery Program was mainstreamed into normal Zonal surgical business and the Surgical Access Service was disbanded. Dedicated elective surgery funding (base and Election Commitments) was rolled into existing hospital budgets at Phase 8 prices. The responsibility for achieving waiting list objectives (eg. achieving less than 5% 'long waits') and monitoring progress against weighted surgical activity targets was devolved to the Zonal Management Units.

The current status of the Elective Surgery Program is that both Election Commitment and base activity are on track for achieving their targets.

ISSUES:

Elective surgery funding has historically been directed towards the provision of specific elective surgery procedures for which admission can be delayed at least 24 hours, as per the requirements of the National Health Data Dictionary.

Patients awaiting a surgical procedure are assigned a clinical urgency category (ie. 1, 2, or 3) and are registered on the elective surgery waiting list (Elective Admissions Module). It is acknowledged that the waiting list system is also utilised to register patients for medical or diagnostic (non-surgical) procedures. Non-surgical patients are distinguished from elective surgery patients for management and reporting purposes via the use of alternative clinical urgency categories (ie. 4, 5, or 6). In some facilities, these non-surgical procedures are recorded outside the waiting list system via different processes (eg. consultants' lists).

In this current financial year, a portion of elective surgery funding has been directed towards treating non-surgical patients in the area of cardiology. For instance, cardiology procedures such as pacemaker insertion/change, angiograms, and AICD's (Automatic Implantable Cardio Defibrillators) are being performed non-surgically.

Continuing the move towards the Elective Procedures Program, the Minister for Health in a joint statement with Premier Peter Beattie announced in February 2005 that a part of the new $20m funding injection (available in 2005/2006 and 2006/2007) will be directed towards performing elective procedures. Examples of procedures announced for inclusion in the $20m, and the specialty breakdown at each facility is contained in Attachment 1.

It should be noted that whilst the $20m is 'new' funding for 2005/2006 and 2006/2007, it does not provide 'additional' funds to the overall elective surgery budget. That is, the quantum of procedures to be performed from the $20m will only match 2003/2004 activity, and will not be in addition. There is a possibility that the activity associated with the $20m will actually be less than that performed in 2003/2004 due to the increasing costs of surgery between the periods.

A dedicated body of work is required to formally develop the Elective Procedures Program and honour the Minister's $20m announcement. The recently formed Elective Procedures Program Steering Committee will direct the Health Systems Development Unit (in partnership with Zones and Districts), to develop a methodology for managing elective procedures by:

1. identifying the eligible procedures for inclusion in the Program (in line with the Minister's announcement)
2. determining baselines at each facility for eligible procedures identified above
3. developing business rules, definitions, and relevant costing models
4. implementing statewide information systems and processes for capturing, monitoring and reporting elective procedure work (at individual facilities and statewide level)
5. coordinating relevant change management and business processes within facilities

This body of work will be undertaken progressively over the next two years, however cardiology procedure work will be ready for commencement by 1 July 2005 in line with funding.

In developing the Elective Procedures Program, an education process about the move away from pure elective surgery will be articulated to relevant Queensland Health staff.

BENEFITS AND COSTS:

By undertaking procedural work as part of the Elective Procedures Program, better outcomes will be achieved for patients by treating medical conditions earlier with less-invasive and interventionist techniques. With benefits in early detection and treatment, elective procedures will potentially reduce the need for open surgical procedures and lengthy admission stays for some patients.

The estimated portion of Elective Surgery Program funds directed towards elective procedures in 2004/2005 is contained in Attachment 2.

For 2005/2006, there are some predetermined activity requirements announced by the Minister in February 2005 which will be funded from the $10m injection. However the components of activity that relate directly to elective procedure work and not yet identified (eg. vascular access and urology procedures), will be determined by the Elective Procedures Program Steering Committee. The Committee will determine all activity targets for 2005/2006, and will ensure that the Minister's $10m announcement will be achieved.

ATTACHMENTS:

ATTACHMENT 1 Excerpts from Minister for Health's statement in February 2005 about additional $20m for 2005/2006 and 2006/2007

ATTACHMENT 2 Preliminary 2004/2005 and 2005/2006 elective procedure funding breakdown

RECOMMENDATION(S):

It is recommended that the Director-General endorses the:

1. Expansion of the Elective Surgery Program into the Elective Procedures Program to be effective from 1 July 2005.
2. Elective Procedures Program Steering Committee to oversee the Elective Procedures Program and:
    - Activate the body of work to develop the methodology for managing elective procedures within the Elective Procedures Program
    - Determine activity targets for elective procedures (as announced by the Minister)
    - Determine activity targets for elective procedures that were established as one-off commitments in 2004/2005, but which will become recurrent from 2005/2006 (cardiology procedures)

ATTACHMENT 1

Excerpts from the Media Release by the Minister for Health

Announced on 10 February 2005 about $20m injection for elective surgery in 2005/2006 and 2006/2007

The extra $20 million will be invested in treatments such as:

- Colonoscopies, which allow early detection and treatment of bowel conditions and minimise the need for more radical surgery;
- Stents and hole-in-the heart treatments, which ease heart and vascular conditions without the need for open surgery;
- Key-hole surgery, which allows gall bladder and other abdominal operations to be performed with less pain, less risk and improved recovery; and
- Vascular access surgery for patients with chronic renal failure.

Of the more than 4000 additional patients state-wide who will receive treatment in 2005-06 and 2006-07, this will include:

Brisbane:
More than 1925 patients to be treated from the Princess Alexandra, QEII, The Prince Charles, Redland, Royal Brisbane Women's, Royal Children's and Mater Hospitals including:

- Approximately 80 heart and lung procedures
- Approximately 180 ear nose and throat procedures
- Approximately 720 general elective operations
- Approximately 120 eye procedures
- Approximately 245 orthopaedic procedures (including knee and hip replacements)
- Approximately 220 reconstructive procedures
- Approximately 180 urology procedures
- Approximately 180 vascular procedures including vascular access

Logan & Gold Coast:
More than 365 patients from Logan, Gold Coast and surrounding areas will be treated including:

- Approximately 20 ear nose and throat procedures
- Approximately 180 general elective operations
- Approximately 15 eye and reconstructive operations
- Approximately 80 orthopaedic procedures (including knee and hip replacements)
- Approximately 30 urology procedures
- Approximately 40 vascular procedures including vascular access

Sunshine Coast & Redcliffe/Caboolture:
More than 330 patients to be treated from the Nambour, Caloundra, Redcliffe and Caboolture Hospitals including:

- Approximately 185 general surgery, ear nose and throat procedures
- Approximately 5 eye and reconstructive operations
- Approximately 100 orthopaedic procedures (including knee and hip replacements)
- Approximately 30 urology procedures
- Approximately 10 vascular procedures including vascular access

Ipswich & Toowoomba:
More than 390 patients to be treated from Ipswich and Toowoomba Hospitals including:

- Approximately 70 ear nose and throat procedures
- Approximately 180 general elective operations

- Approximately 10 eye procedures
- Approximately 100 orthopaedic procedures (including knee and hip replacements)
- Approximately 10 reconstructive operations
- Approximately 20 urology procedures

Wide Bay and Central Queensland:
More than 335 additional patients to be treated from the Hervey Bay, Maryborough, Bundaberg, Rockhampton and Gladstone Hospital including:

- Approximately 230 general elective, ear nose and throat procedures
- Approximately 20 eye procedures
- Approximately 70 orthopaedic procedures (including knee and hip replacements)
- Approximately 10 urology procedures
- Approximately 5 vascular procedures including vascular access

North Queensland:
More than 655 patients to be treated from Cairns, Townsville and Mackay Hospitals including:

- Approximately 50 heart and lung procedures
- Approximately 50 ear nose and throat procedures
- Approximately 280 general surgery/elective procedures
- Approximately 80 eye procedures
- Approximately 140 orthopaedic procedures (including knee and hip replacements)
- Approximately 20 reconstructive operations
- Approximately 20 urology procedures
- Approximately 15 vascular procedures including vascular access

ATTACHMENT 2

Preliminary 2004/2005 and 2005/2006 elective procedure funding breakdown

FINANCIAL YEAR	FACILITY	FUNDING		SPECIALITY	PROCEDURE TYPE	ESTIMATED CASES [1]
		AMOUNT $	SOURCE			
2004/2005	Gold Coast Hospital	$ 2,400,000	ES Rollovers (03/04)	Cardiology	Diagnostic Angiography	500
					Interventional Angioplasty	300
	Royal Brisbane and Women's Hospital	$ 1,573,411	ES Rollovers (03/04)	Cardiology	Diagnostic Angiography	343
					Angiograms (with stents)	184
	The Prince Charles Hospital	$ 1,430,000	ES Rollovers (03/04)	Cardiology	Diagnostic Angiography	688 (wtd seps)
					Interventional Angioplasty	
2005/2006	Gold Coast Hospital	$ 273,000	Elective Surgery (recurrent)	Cardiology	As above	no additional cases
	Royal Brisbane and Women's Hospital	$ 1,573,411	Elective Surgery (recurrent)	Cardiology	Diagnostic Angiography	343
					Angiograms (with stents)	184
	The Prince Charles Hospital	$ 1,430,000	Elective Surgery (recurrent)	Cardiology	Diagnostic Angiography	688 (wtd seps)
					Interventional Angioplasty	

NOTES:

1. These estimations are based on submissions approved by A/SEDHSD (Dr Scott) between November 2004 and January 2005.