ANNUAL REPORT
2015–2016

North West Hospital and Health Service

Queensland Government

Purpose of the report

This annual report details the non-financial and financial performance of the North West Hospital and Health Service during financial year 2015–2016.

It highlights the achievements, performance, outlook and financial position of the North West Hospital and Health Service, and satisfies the requirements of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and detailed requirements set out in the *Annual Report Requirements for Queensland Government agencies*.

Attribution

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Electronic copies of this annual report can be accessed at www.health.qld.gov.au/mt_isa/Our-board.asp

Paper copies can be obtained by contacting the Media and Communications Officer, Office of the Chief Executive, on (07) 4764 0210 or MD22-MtIsa-HSD@health.qld.gov.au

The Queensland Government is committed to providing accessible services to Queenslanders from all cultural and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on (07) 4764 0210 and we will arrange an interpreter to effectively communicate the report to you.

Disclaimer

This document has been prepared with all due diligence and care, based on the best available information at the time of publication. However, the North West Hospital and Health Service holds no responsibility for any errors or omissions within this document.

Any decisions made by other parties based on this document are solely the responsibility of those parties.

Information contained in this document is drawn from a number of sources and, as such, does not necessarily represent policies of the North West Hospital and Health Service and/or the Queensland Government.

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ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

The North West Hospital and Health Service respectfully acknowledges the traditional owners and custodians both past and present of the land, sea and waterways which we service and declare the North West Hospital and Health Service's commitment to reducing inequalities between Indigenous and non-Indigenous health outcomes in line with the National Indigenous Reform Agreement (Closing the Gap).

"Ron's Music" band played for the assembled guests under the Healing Tree at Mount Isa Hospital's NAIDOC celebrations, July 2015

The following staff were recognised for their achievements during our NAIDOC day celebrations held on 7 July 2015:

- Kirsten Gallagher (Child Health) – Outstanding Excellence
- Vanessa McDonald (Homeless Health Outreach Team (HHOT)) – Caring for Community
- Trenna Frew (Maternity) – Young Indigenous Person of the Year
- Sherron Dempsey (ATODS) – Excellence in Health Promotion, Prevention and Intervention
- Anne O'Keefe (Doomadgee) – Excellence in Empowering Indigenous Patients

The Cloncurry Multipurpose Health Service team thanked their indigenous staff and residents, sharing a barbecue and wearing their Closing the Gap shirts to celebrate NAIDOC.

FAST FACTS 2015–2016

The North West Hospital and Health Service is responsible for the delivery of public hospital and other health services to the communities of North West Queensland. We serve a population of around 33,000 people, distributed across 300,000 square kilometres, providing services across one regional hospital, two multipurpose health services, three rural/remote hospitals, four primary health clinics and five community health centres.

During 2015–2016	
Budget	• Total revenue received by the North West Hospital and Health Service for 2015–2016 increased by $10.457 million to $159.068
Staffing	• Total full time equivalent staff of 672 employed as at 30 June 2016 an increase of 18 staff from 2014–2015. Of total staff, 51% are clinical and 49% are support staff
Emergency presentations	• 100% of immediate, life threatening, emergency presentations to the Mount Isa Hospital were seen within clinically recommended times
Elective surgery	• As at June 30 2016, the Mount Isa Hospital had only one long wait elective surgery patient
Occasions of Service	• 141,276 health services were delivered in 2015–2016
Average length of stay	• Average length of stay overnight or longer across our facilities was 3.11 days, against approximately five days statewide
Telehealth	• 46% increase in telehealth use over 2015–2016, successfully achieving the Government's Key Performance Indicator target for a 10% increase in actitivity three months ahead of deadline
Births	• 483 babies born at our facilities in 2015–2016, a 16% increase over the last financial year
Interpretation services	• 14 sessions of interpreter services were provided to 13 clients, with Thai, Mandarin and Indonesian being the most requested languages
Compliments and complaints	• A total of 166 compliments were received for the North West Hospital and Health Service, a considerable increase from the 63 received in the previous financial year. 153 complaints were received during the same period, equating to 0.108% of total health services delivered during 2015–2016

Queensland Government

North West Hospital and Health Board

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7 September 2016

The Honourable Cameron Dick MP
Minister for Health and Minister for Ambulance Services
GPO Box 48
BRISBANE QLD 4001

Dear Minister

I am pleased to submit for presentation to the Parliament the Annual Report 2015–2016 and financial statements for the North West Hospital and Health Service.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements can be found at page 63 of this annual report.

Yours sincerely,

Paul Woodhouse

Chair

North West Hospital and Health Board

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CHAIR'S REPORT

This is the fourth year of operation for the North West Hospital and Health Service as an independent statutory body and we continue to make significant progress in our delivery of rural and remote healthcare.

The past 12 months have marked the beginning of a new pathway, the culmination of a number of engagements with regard to our activities, and a growing focus for the Board on primary health care.

We have been involved in establishing the Western Queensland Primary Care Collaborative in conjunction with colleagues in our neighbouring South West and Central West Hospital and Health Services, providing the best opportunity the wider region has ever had in delivering integrated primary and acute care services across shared regional, rural and remote communities.

We continue to support communities and community advisory panels to engage with local health providers. North West Hospital and Health Service Executive Sponsors regularly attend meetings together with local Councils, community and other service providers in Julia Creek, Cloncurry, Normanton and Karumba.

As we engage with people across the whole North West community there is a growing understanding that in terms of health, "It's your journey; it's your life". As never before there is a definite ownership of people's health and we trust that primary ownership marks the beginning of the journey to good health. The journey of a thousand miles begins with a single step, and we encourage every member of every community in the North West to take that single step towards better health.

The Board was heavily involved in the Strategic Plan process of engagement, positioning the North West Hospital and Health Service to better understand and align its role in acute treatment and in community and primary health, in partnership with others.

In this we are fortunate to have key partners such as the Mount Isa Centre for Rural and Remote Health (MICCRH) and others.

Health statistics in North West Queensland are of the highest concern to the Board. *The Health of Queenslanders Report* points to declining outcomes across a number of areas. Fragmented and disjointed service planning and provision, or disconnected pathways will always be the best friend of bad health. I am confident however the North West Hospital and Health Service's *Strategic Plan 2016–2020* has now authorised the innovation and flexibility needed to confront those shortfalls. Closer cooperation and collaboration where efficient actions provide effective outcomes for individuals and communities is a critical focus.

We have certainly been finding even better ways we can involve each community in its own way and there's no doubt that each community needs its own peculiar solutions; they have been very clear about that during the Strategic Plan consultation process, as has the Board. Nevertheless, individuals and communities will play an increasing role in the ownership and messaging of health.

We have a huge challenge in the North West as we aim to collaboratively improve health outcomes of people and communities within our region. Fortunately, we are not alone, and there have been a number of positive health campaigns funded by both Queensland and the Australian Government which have been broadcast widely over all media. We recognise their key role in promoting healthy lifestyles to all Australians. The challenge is how to make these now relevant to each community.

At the end of 2015, we farewelled retiring chief executive, Sue Belsham, who had served us for three and half years following the establishment of the Hospital and Health Service, and we are grateful for her guidance and leadership over that time. Her commitment to and passion for her staff was evident and she was always

available. We are also grateful for the assistance provided by the interim chief executive, Terry Mehan, whose extensive background and experience in health has been of invaluable assistance to the health service during his time with us.

In May 2016 we welcomed our new chief executive, Lisa Davies Jones, who joined us from Townsville Hospital and Health Service where she was Executive Director of Clinical Governance, and prior to that, Director of Surgical Services. With a background as a nurse, trained in London, Lisa has had a number of roles in British hospitals around service improvement, general management and operations management. Her wide-ranging experience, both in the United Kingdom and in Townsville will be of immense benefit to the North West Hospital and Health Service.

In May four members of the board were reappointed, and two new members were appointed to the North West Hospital and Health Board. Supporting the Board's focus on lifting its primary health care as more of a priority, Dr Kathryn Panaretto and Mr Dallas Leon both bring a vast array of skills, particularly in a primary health care context, and indigenous and public health.

It continues to be a privilege to work with my Board colleagues, our Chief Executive and Executive Management Group and I thank them for their hard work over the past year.

I extend a personal thank you to all staff of the North West Hospital and Health Service and our Hospital Auxiliaries and look forward to another year of working to improve the health outcomes of people and communities across North West Queensland.

Paul Woodhouse
Chair

CHIEF EXECUTIVE'S OVERVIEW

First and foremost I would like to personally thank each and every one of our staff for their continued commitment to providing safe, quality health care for our patients in the North West. When I witness and hear about the wonderful accounts of dedication by our staff it makes me proud to be the Chief Executive.

We have achieved a number of major successes this past financial year including attaining full accreditation for the period of 2016 –2020, and completing the major refurbishment of the Mount Isa Hospital Paediatric Ward and Central Sterilising Department under budget and with minimal time slippage.

Our Midwifery Led Model of Care is an excellent initiative which provides improved continuity of care and supports mothers having access to antenatal and postnatal care closer to their homes. Our expanding Telehealth services mean that patients can access high quality, specialist care close to home, reducing the need to travel long distances. Our newly established surgical and rehabilitation clinics which are delivered from Townsville Hospital to Mount Isa Hospital allow local residents to have their surgical and rehabilitation reviews conducted in their communities. We look forward to the provision of Teledentistry in the coming months, which will improve access to dental health in our remote communities.

Patient Travel is the largest component of our non-salary expenditure, and I am confident that our new advances in telehealth, making it a widespread practice throughout the North West Hospital and Health Service, will bring patient travel numbers down. As I travelled around our remote facilities earlier this year, I was impressed to see telehealth facilities operating in every small hospital and every remote health clinic. We have demonstrated an increase of 46 percent in telehealth services this year. It is important primarily for our patients, delivering them seamless health care, as well as being important in terms of making the very best use of every public dollar.

We are again recording a deficit, of $2.1 million (1.3 percent of budget) as we experience cost pressures associated with providing a comprehensive health service in a large remote catchment. Our largest expense continues to relate to staffing, accounting for more than half our total expenditure. We will continue to work hard at recruiting and retaining our staff, as a stable work force is more economically sustainable and offers better continuity of care for our communities than relying on locum and agency staff. In addition to this we have turned the focus to 'growing our own' and this reflects in our first intake this year of five Rural Generalist Interns.

Other successes this year include an excellent response from the Mount Isa Hospital Emergency Department patient survey, and from a maternity outpatients' survey.

This year we have instigated an ambitious innovation agenda aimed at improving health outcomes. We will start with some quick wins and report back on successes in next year's Annual Report. Innovation is one of the hallmarks of our Strategic Plan 2016–2020 which we launched this year.

Our strategy aligns with Queensland Health's 10 year vision: *My health, Queensland's future: Advancing health 2026*, with four directions: promoting wellbeing, delivering healthcare, connecting healthcare, and pursuing innovation.

We do, as the strategy says, want to be among the healthiest people in the world. We want the North West Hospital and Health Service to be the leading service in Queensland, delivering excellence in rural and remote healthcare, and I know with the leadership of our forward looking Board, and through collaboration with our dedicated staff, and our community partners, we can achieve this goal.

Lisa Davies Jones
Health Service Chief Executive
North West Hospital and Health Service

THE YEAR IN REVIEW, 2015–2016

The North West Hospital and Health Service strives to be Queensland's leading Hospital and Health Service, delivering excellence in rural and remote healthcare. In addition to the range of key achievements delivered by our staff across each of our facilities, as detailed throughout the following report, a range of other significant events also occurred during 2015–2016

JULY 2015

We welcomed the North West Hospital and Health Service Cultural Advisor, Kevin Toby, who fittingly began his contract on the first day of NAIDOC Week.

Associate Professor Alan Sandford, the Executive Director of Medical Services, hosted an international study tour at Mount Isa.

The walls came down in the old paediatric ward at Mount Isa Hospital as demolition began to make way for the new ward.

A mock survey team was established in preparation for the North West Hospital and Health Service's accreditation and visited Burketown, Doomadgee and Mount Isa in late July. A verbal summary report was delivered to the Executive and Continuous Improvement Innovation Unit team at the conclusion of the visit by Surveyor, Bobby Carroll and team members Kara Finnimore and Carol Trevor from the Sunshine Coast.

The second Mount Isa Health Expo was held on 17 and 18 July, with more than double the attendance of the inaugural Expo in 2014. Over 1000 patrons enjoyed over 40 exhibitors, as well as the wellness demonstrations. Country musician, Troy Cassar-Daley and food chef Daniel Churchill entertained the crowds.

Staff mock up for our stand at the Mount Isa Health Expo, July 2015

AUGUST 2015

The Workforce Leaders Group had a successful initial meeting.

The North West Hospital and Health Board and some executive staff travelled to Cloncurry and held the Board meeting at the Cloncurry MultiPurpose Health Service. A barbeque lunch was held with Cloncurry staff after the meeting.

The Child, Maternal and Family Healthcare Service relocated to the Laura Johnson Home Precinct and were operational by 31 August.

A team of volunteers travelled across the North West to deliver donations of Gideons' Bibles.

Staff held Pyjama Pants Day on 28 August as a fundraiser for the Cancer Council.

Staff got stuck into the plastering at the plaster workshop

The Senior Nursing and Midwifery team held their inaugural forum in Mount Isa.

A multidisciplinary plaster workshop was held in Mount Isa with Emergency Department medical staff and wardspersons participating.

Strokelink provided an education session, with video conferencing to our remote sites.

SEPTEMBER 2015

Our Child Protection Unit highlighted the important message that Child Protection is everybody's business during Child Protection Week.

The Board visited Normanton and Karumba to a warm welcome and wonderful meals from our staff there.

With Hand Hygiene compliance below the national benchmark of 70%, the Infection Prevention and Control team introduced some hand hygiene program initiatives at Mount Isa to support staff and remind visitors to wash hands regularly while on our campus. At 30 June 2016, compliance was at 85%.

The Hon Sussan Ley, MP, Minister for Health and Minister for Sport, gave an address at the opening of the Clinical Education Simulation Unit at the Mount Isa Centre for Rural and Remote Health.

Year 10 students from the Good Shepherd Catholic College began a work experience program at Mount Isa Hospital.

Good Shepherd Catholic College year 10 student on work experience

OCTOBER 2015

Deadly Ears Clinical Facilitator Jan Pinnington, trained North West Hospital and Health Service staff during the Deadly Ears Hearing Health Course, held in Mount Isa.

Alcohol Tobacco and other Drugs Service and the Emergency Department, Police, Ambulance services, Careflight and the Fire and Emergency Service joined to form "Isasafe" to promote awareness of alcohol related harms.

The Queensland Clinical Senate Meeting on Integrated Care took place mid-October with the North West Hospital and Health Service Chief Executive, the Board Chair and the Executive Director of Medical Services joining more than 140 senior clinicians at the meeting.

Emergency services combine to form "Isasafe"

NOVEMBER 2015

Staff at the Rehabilitation Centre were pleased with the computer on wheels trolley, for joint use by physio, pulmonary and cardiac rehabilitation staff.

Stage 3 of the Mount Isa redevelopment – the former children's ward

Stage 3 of the Mount Isa redevelopment continued apace, with the refurbishment of the Central Sterilising Supply Department, and temporary changes to access to theatre and the Intensive Care Unit. The former children's ward was an open plan in progress.

The expanded maternity team now offers three staff to provide caseload midwifery services at Cloncurry, Doomadgee/Mornington Island and Mount Isa. Four sets of twins were safely birthed over October and November. Over 100 handcrafted quilts for babies born premature or still born were donated for distribution to our maternity units.

With 17 snake bite-related presentations to Mount Isa's Emergency Department, Dr Ulrich Orda spoke to media on preventing or treating suspected snake bites.

Over 100 tiny quilts were donated for babies born premature or stillborn

Cloncurry Multipurpose Health Service staff conducted an impromptu simulated snake bite training exercise, with the 'patient' disguised in a very realistic and aging face mask.

Cloncurry staff work to save snake bite 'victim'

Public Health Physician Dr Steven Donohue and the staff of the Mount Isa Public Health Unit held information sessions at Burke and Wills, Cloncurry, Julia Creek and Mount Isa on Primary Amoebic Meningoencephalitis (PAM) which is found in warm, untreated water, commonly found on rural properties.

Kalkadoon elder, Uncle Clive Sam conducted a Welcome to Country smoking ceremony to open the new Child Health Centre.

Partnership announced with the Hospital and Health Services of Townsville, Cairns, Mackay, Torres and Cape, and the Northern Queensland Primary Health Network, James Cook University and the Australian Institute of Tropical Health and Medicine to establish Australia's first tropical academic health centre – the Tropical Australian Academic Health Centre (TAAHC).

DECEMBER 2015

Congratulations were in order for Kathleen Walden's award from the Department of Health Strategic Operational Services Unit. Wardsperson Kathleen was nominated by the Karumba Health Clinic for her enthusiasm and pride in her work.

Kathleen Walden (second from right) with colleagues in front of the beautiful gardens she has developed at Karumba Health Centre

Congratulations also to our Weekly Incident Panel for Clinical Incident Management who were selected as a finalist in the Integrity & Accountability category of the Queensland Health 2015 Awards for Excellence.

The Director General Michael Walsh, Director of Continuous Improvement and Innovation Unit, Claire Ramm, Telehealth Coordinator Kathy Tobin, Executive Director Medical Services, Associate Professor Alan Sandford and the Minister for Health, Hon Cameron Dick MP

Inaugural Chief Executive of the North West Hospital and Health Service, Sue Belsham, retired after three and a half years at the helm, and after a broad and challenging career in health.

JANUARY 2016

Terry Mehan was appointed as Interim Chief Executive of the North West Hospital and Health Service.

History was made with the Hospital and Health Service welcoming five new rural generalist interns who started their 12 month placements. Now that Mount Isa Hospital is a teaching hospital in its own right, it is able to host its own dedicated interns for the entire, full-year period of their internship.

New rural generalist interns

FEBRUARY 2016

Long term employee Dr Maureen Khan gained her Fellowship with the Australian College of Rural and Remote Medicine (FACRRM).

Dr Maureen Khan

Board Chair Paul Woodhouse, with Queensland's Chief Health Officer, Dr Jeanette Young

Anne O'Keefe, Aboriginal and Torres Strait Islander Health Practitioner

Doomadgee resident, Anne O'Keefe, became the first North West Hospital and Health Service employee to receive national registration as an Aboriginal and Torres Strait Islander Health Practitioner. The registration enables her to practise anywhere in Australia. Mrs O'Keefe has worked for the North West Hospital and Health Service as a health worker for 25 years.

Queensland's Chief Health Officer, Dr Jeanette Young visited Mount Isa for the annual meeting of the Lead Health Alliance.

The North West Hospital and Health Service had its national accreditation renewed by the Australian Council of Healthcare Standards (ACHS). The survey team found the North West Hospital and Health Board to be focused on building an organisational culture that supported patient safety, quality and innovation. The health service was praised for its focus on workforce development through education and training and a strengthened medical presence at many of the remote sites.

Allied Health Services' Dietetics Team promoted Healthy Weight Week promotion in February, including daily emails to staff

We hosted a record 20 first year of practice registered nurses in 2016, half of whom are local residents.

MARCH 2016

A series of community forums throughout the North West began, to gather feedback and suggestions for the preparation of the North West Hospital and Health Service 2016–2020 Strategic Plan.

North West Hospital and Health Service and North West Remote Health representatives, along with other local health agencies, attended a community event on the Mount Isa Civic Centre lawn to mark the 2016 National Close the Gap Day on March 17.

Strategic Plan forum at Mornington Island, March 2016

APRIL 2016

The health service's first Nurse Navigator, Noel Lally was appointed at Doomadgee. Nurse navigators will focus on helping referred patients with chronic and complex conditions navigate the system more quickly and prevent readmissions to hospital.

We celebrated more than 50 years of service with hospital cook, Ellen Fels, who started work at the Julia Creek Hospital (now the McKinlay Shire Multipurpose Health Service) in 1966.

McKinlay Shire Council Mayor Belinda Murphy, Interim Chief Executive Terry Mehan, Mrs Ellen Fels and Board Chair Paul Woodhouse, celebrate Mrs Fels' 50 years of service.

MAY 2016

The Nurse of the Year Award for the North West Hospital and Health Service went to two nurses this year, Andrea Mitchell, based in Mount Isa and Joanne Gabbert, who is based in Cloncurry. They each received a giant cheque for $250 from QSuper, chocolates and flowers.

Nurse Joanne Gabbert and Executive Director of Nursing Michelle Garner

Board Chair Paul Woodhouse welcomes new chief executive Lisa Davies Jones to Mount Isa

Our new chief executive, Lisa Davies Jones was appointed and joined us from Townsville Hospital and Health Service where she was Executive Director of Clinical Governance, and prior to that, Director of Surgical Services.

The Biggest Morning tea catered for patients, members of the public and staff

Mount Isa's Cancer Care Unit held The Biggest Morning Tea on Thursday 26 May, and raised over $1700 from donations and a raffle for Cancer Council Queensland.

Senior Dental Prosthetist, Dr Erin Bailey

We welcomed Senior Dental Prosthetist, Dr Erin Bailey, from her private practice in West Australia, to provide denture services in the North West. She makes the dentures on site at the Mount Isa dental laboratory as well as offering a same day service for denture repairs and relines.

Maternity Unit Manager, Kerry Owens, Nurse of the Year Andrea Mitchell and Director of Nursing Lissa McLoughlin

JUNE 2016

We launched a 24 hour phone line for mental health support. The 1300 MH CALL (1300 64 2255) phone line will provide 24-hour specialist mental health support to consumers, relatives, friends, carers and professionals to help access specialist mental health care advice, referral, assistance and support.

The Budget announcement by the Queensland Minister for Health and Ambulance Services, Hon Cameron Dick, for an extra $7.5 million for the North West Hospital and Health Service was a welcome boost. Included was $909,000 toward the refurbishment of the Alan Ticehurst building for the housing of a new community health and dental surgery for Cloncurry. McKinlay Shire Multipurpose Health Service was designated $5 million for the refurbishment and extension of the Julia Creek Hospital to incorporate aged care. Health funding in the North West is now $156.3 million for the next financial year.

Emergency Department and Mental Health staff with Board Chair Paul Woodhouse publicise the 1300 MH CALL launch

GENERAL INFORMATION

Our services

The North West Hospital and Health Service is an independent statutory body established under the *Hospital and Health Boards Act 2011*.

Accountable to a local Hospital and Health Board, the service is responsible for the direct management and delivery of public hospital and other health services to a population of around 34,000 people comprising the eight local government areas of Boulia Shire , Burke Shire, Carpentaria Shire, Cloncurry Shire, Doomadgee Shire, McKinlay Shire, Mornington Shire and Mount Isa City.

Covering almost 300,000 square kilometres – an area bigger than the State of Victoria, Tasmania and the Australian Capital Territory – the entire area of the North West Hospital and Health Service is defined by the Queensland Government Statisticians Office as remote or very remote, with a quarter of its population located in very remote areas of Australia.

A comprehensive range of community and primary health services are provided including aged care assessment; Aboriginal and Torres Strait Islander health programs; child and maternal health services; mental health services; alcohol, tobacco and other drug services; community health nursing; sexual health services; allied health; oral health and health promotion programs.

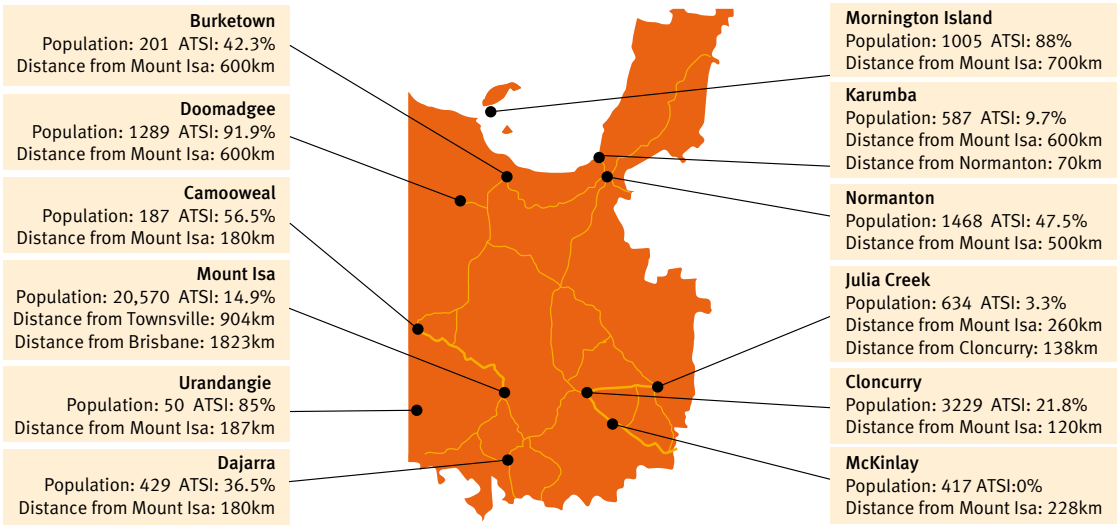
Services are provided from the Mount Isa Hospital and two multipurpose health services, three rural/remote hospitals, four primary health clinics and five community health centres across Burketown, Camooweal, Cloncurry, Dajarra, Doomadgee, Julia Creek, McKinlay, Karumba, Mornington Island, Normanton and Urandangi.

An extensive program of specialist outreach health services are also provided to all health facilities. This increases patient access to specialist care not available in the remote health facilities, maximises patient health outcomes by providing early diagnosis and treatment of health conditions, and reduces the need, inconvenience and cost for patients to travel from remote locations to access specialist care in Mount Isa, Townsville or other secondary and tertiary healthcare settings across the State.

Mount Isa Hospital also serves as the major hub for telehealth services across the entire service area, ensuring all sites have access to emergency medical and nursing advice 24 hours a day, seven days a week. Financial assistance is also provided through the Patient Travel Subsidy Scheme to eligible patients who need to travel to other health services for procedures and tests not available locally.

The North West Hospital and Health Service also provides emergency ambulance retrieval and treatment support services for communities across the Northern Territory border. The neighbouring Townsville Hospital and Health Service provides dialysis renal services from an eight chair satellite Renal Unit based at the Mount Isa Hospital.

We continue to have a proud association with the Royal Flying Doctor Service, which provides outreach clinics and other emergency care across the North West, parts of Central West Queensland and also Northern Territory regions. Having launched its inaugural flight from Cloncurry in 1928, the Royal Flying Doctor Service, one of the largest and most comprehensive aeromedical organisations in the world, has been operating in Queensland for 88 years.



Our communities and services, population data derived from 2011 Census

Note: use of the term 'ATSI' denotes percentage of residents identifying themselves of Aboriginal and Torres Strait Islander descent.
Source: Burnand, J North West Hospital and Health Service Medical Staffing Review, 2014.

Our community

The North West Hospital and Health Service had an estimated resident population of 32,621 in 2014. The population per Local Government Area is indicated in Table 1 below.

Custom region / Local Government Area / State	Number as at 30 June:			% average annual growth	
	2004	2009	2014	2004–2014	2009–2014
North West region	**29,184**	**31,032**	**32,621**	**1.1**	**1.0**
Burke (S)	492	543	559	1.3	0.6
Carpentaria (S)	2191	2136	2245	0.2	1.0
Cloncurry (S)	3424	3304	3399	-0.1	0.6
Doomadgee (S)	1142	1273	1395	2.0	1.8
McKinlay (S)	973	1011	1083	1.1	1.4
Mornington (S)	1054	1158	1223	1.5	1.1
Mount Isa (C)	19,908	21,607	22,717	1.3	1.0
Queensland	**3,829,970**	**4,328,771**	**4,722,447**	**2.1**	**1.8**

Source: Australian Bureau of Statistics, 3218.0, Regional Population Growth, Australia, 2013–14

Table 1: Estimated resident population by North West region, Local Government Area and Queensland

Increases in population have historically trended at around 1 percent per annum, but with the drought and the mining downturn it is estimated there are decreases in the Mount Isa region of 1.3 percent and in Mount Isa itself of 0.8 percent (Australian Bureau of Statistics Regional Population Growth 2014–2015).

The Queensland Government Statisticians Office estimates the average age for all residents is currently 31.0 years, which is lower than the Queensland median age of 36.6 years.

The percentage of indigenous persons living in the North West is 23.1 percent, compared to 3.1 percent within all of Queensland. In particular, the two Local Government Areas of Doomadgee and Mornington Island have populations in which 88 percent or more of the population identify themselves as Indigenous:

Custom region / Local Government Area / State	As at 30 June 2011					Average annual growth rate		Total (b)
	Aboriginal	Torres Strait Islander	Both (a)	Total	%	Total	%	
North West region	**6703**	**136**	**198**	**7037**	**23.1**	**19,722**	**64.6**	**30,511**
Burke (S)	140	0	3	143	27.8	286	55.6	514
Carpentaria (S)	714	7	36	757	36.8	1046	50.9	2055
Cloncurry (S)	661	22	19	702	21.8	2158	66.9	3227
Doomadgee (S)	1179	3	3	1185	92.0	95	7.4	1288
McKinlay (S)	39	0	0	39	3.7	894	85.3	1048
Mornington (S)	986	4	15	1005	88.0	131	11.5	1142
Mount Isa (C)	2984	100	122	3206	15.1	15,112	71.2	21,237
Queensland	**122,896**	**20,094**	**12,834**	**155,824**	**3.6**	**3,952,707**	**91.2**	**4,332,740**

(a) Applicable to persons who are of both Aboriginal and Torres and Strait Islander origin (b) Includes Indigenous status not stated
Source: Australian Bureau of Statistics, Census of Population an Housing, 2011, Indigenous Profile – IO2 (usual residence)

Table 2: Indigenous status by North West region, Local Government Area and Queensland, 2011

In addition to our rich aboriginal heritage, the Australian Bureau of Statistics census population data for 2011 also indicates that 14.45 percent of the local community – or 2541 people – were born overseas.

The most common countries included New Zealand, the Philippines, United Kingdom, South Africa, Fiji, Germany, India, Ireland and Italy. Consequently around a fifth of the population – or around 4500 people – commonly speak a language other than English at home, namely Chinese, French, German, Italian or Indo-Arayan, in addition to Indigenous Australian.

Queensland Government Statisticians Office data also indicates significant numbers of our residents are categorised in the most disadvantaged socio-economic group. Almost half of the population is in the two lowest quintiles for disadvantage. Notably, as identified in Table 3, there are three Local Government Areas in which more than 85 percent of the population are in the most disadvantaged quintile. This includes the entire population of Mornington Island and 97.8 percent of the population of Doomadgee.

Custom region / Local Government Area / State	Quintile 1 (most disadvantaged)	Quintile 2	Quintile 3	Quintile 4	Quintile 5
	%				
North West region	**24.9**	**22.7**	**28.3**	**18.7**	**5.4**
Burke (S)	38.8	61.2	0.0	0.0	0.0
Carpentaria (S)	87.4	0.0	12.6	0.0	0.0
Cloncurry (S)	36.6	26.6	36.7	0.0	0.0
Doomadgee (S)	97.8	2.2	0.0	0.0	0.0
McKinlay (S)	0.0	33.2	0.0	66.8	0.0
Mornington (S)	100.0	0.0	0.0	0.0	0.0
Mount Isa (C)	9.6	25.3	33.8	23.5	7.8
Queensland	**20.0**	**20.0**	**20.0**	**20.0**	**20.0**

Source: ABS 2033.0.55.001, Census of Population and Housing: Socio-Economics Indexes for Areas (SEIFA), Australia – Data only, 2011, (Queensland Treasury derived)

Table 3: Population by Index of Relative Socio-Economic Disadvantage quintiles by North West region, Local Government Area and Queensland, 2011

Our community's health

In comparison to the rest of Queensland, the North West Hospital and Health region continues to have:

- A higher proportion of children
- A higher proportion of males
- A higher proportion of Indigenous people
- Challenges associated with providing health care services to dispersed populations in remote locations

Demand for health services also continues to be influenced by the mining sector and the impact of 'fly-in, fly-out' workers, a mature pastoral industry and a developing tourism industry.

As with all other Hospital and Health Services across Queensland, and in keeping with national trends, we also continue to encounter challenges relating to an ageing population, increasing co-morbidity, limited and ageing infrastructure and higher costs associated with health care delivery.

Due in part to societal and cultural issues, distance and access to routine services, significant numbers of avoidable hospitalisations could potentially be avoided by more timely and effective provision of non-hospital or primary care, including community led prevention measures and this is an issue addressed by our *Strategic Plan 2016–2020*.

The Health of Queenslanders 2014 – Fifth report of the Chief Health Officer Queensland states that, compared to all other and Queensland Hospital and Health Services for the period 2011–2012, the North West Hospital and Health Service had the highest rates of:

- Deaths per 100,000 people
- Coronary Heart disease
- Cancer

The North West Hospital and Health Service ranked second for:

- The median age of deaths for indigenous patients, at 53 years
- Chronic Obstructive Pulmonary Disease hospitalisations

It ranked third for:

- The overall median age of death, at 66 years
- Injury rates
- Preventable hospitalisations
- Diabetes hospitalisations
- Cardiovascular Disease.

Although considerable steps have been – and continue to be – taken to ensure innovative, efficient, effective and culturally appropriate health care, issues of significant impact for people living in the region remain issues associated with smoking, poor nutrition, harmful consumption of alcohol and other drugs, overweight and obesity, physical inactivity, early discharge against medical advice and emotional, psychological, and social well-being factors associated with:

- smoking
- poor nutrition
- harmful consumption of alcohol and other drugs
- overweight and obesity
- physical inactivity
- early discharge against medical advice emotional and psychological and social well-being factors associated with mental health.

Caring for our communities

Within the context of these significant challenges, the North West Hospital and Health Service remains committed towards working with our local community partners to ensure communities live longer, healthier and more independent lives by improving health outcomes and achieving the Government's objectives for the community of delivering quality frontline services and strengthening our public health system.

During the reporting period we have achieved marked improvements in Aboriginal and Torres Strait Islander Potentially Preventable Hospitalisations. We also continue to perform strongly against both the National Emergency Admission Target (NEAT) and National Elective Surgery Target (NEST), ensuring patients receive best clinical practice and are treated in accordance with clinically appropriate timescales.

Proactive engagement with our consumers and communities continues to evolve and we have made significant inroads to treating patients closer to their homes and reducing the need for presentations to the Mount Isa Hospital. Not only does this improve the patient experience, it also results in cost savings due to reduced travel and other expenses.

However, cost and clinical structures at Mount Isa Hospital are unique, resulting in a national funding model being applied to the most remote hospital in Australia with an expectation of service delivery well beyond any other geographical location of a similar nature.

Engaging with our communities

Developing and implementing processes to include increased consumer participation and feedback into service planning is a key priority of the North West Hospital and Health Service.

We also continue to champion a more self-directed approach to health for each of our communities and seek to formalise that through the operational plan linked to the Strategic Plan 2016–2020. In our exhaustive consultation with communities for the Strategic Plan, the message from our communities was that they wanted their own health solutions tailored to their communities. One size does not fit all in the disparate communities across the North West.

A number of North West communities have established regional advisory panels to formally engage with local health providers, including the North West Hospital and Health Service. Our executive sponsors regularly attend the meetings in Julia Creek, Cloncurry, Normanton and Karumba along with local Council, community and service providers.

Smaller communities have expressed their preference to continue to participate in regular open invite health forums. Whilst the engagement formats may differ, we continue to afford effective two way communication and the opportunity to meet and raise questions to the Board and Executive members present, as well as receive updates of local service initiatives and changes.

Community consultation for the Strategic Plan at Karumba

2015 MOUNT ISA HEALTH EXPO

The second Mount Isa Health Expo held on 17- 18 July 2015 at the Mount Isa Civic Centre was again hailed as a success, with over 1000 people attending the event, double the attendance of the inaugural health expo in 2014. An initiative of the North West Hospital and Health Service, the event developed from an innovative partnership between health providers in the North West – showing the way forward for communities to improve their health and social outcomes.

With wellness themed entertainment, demonstrations and exhibitors, the Health Expo featured 28 exhibitors and poster displays as well as interactive activities.

Highlights were celebrity guests who reinforced the health message – Indigenous country singer, Troy Cassar-Daley and celebrity cook, Daniel Churchill.

Autism Queensland conducted a workshop on Autism Spectrum Disorder.

Members of the public took the opportunity to learn some moves for Zumba, Irish Dancing and Line Dancing and participated in lawn bowls and face painting.

The family-friendly experience provided supervised children's activities, allowing parents to visit the exhibits.

A collaboration of the North West Hospital and Health Service, Gidgee Healing, Mount Isa Centre for Rural and Remote Health/James Cook University and the Western Queensland Primary Health Network, the second Health Care Expo aimed to:

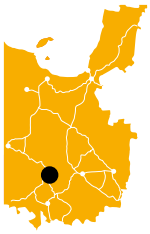
- Educate the community on the available health service providers and their related services
- Encourage people to engage with health service providers
- Provide an interactive, informative and inviting professional environment
- Enhance health education in the region
- Contribute to the development and sustainability of the health industry in North West Queensland
- Increase awareness of the benefits and encourage and foster healthy living and lifestyles.

Ngukuthati Family Support Workers, Telisha Radcliffe and Mary Rasova.

Celebrity cook Daniel Churchill, Chief Executive Sue Belsham and singer Troy Cassar-Daley

Bowled over: Board Chair Paul Woodhouse with celebrity cook Daniel Churchill and Great Western Games Ambassador, Captain of the Australian Lawn Bowling Team, Brett Wilkie

Mount Isa City
Mount Isa Hospital



887km west of Townsville
1330km north west of Rockhampton
1900km north west of Brisbane

The city was established in 1932 following the discovery of one of the world's richest deposits of copper, silver, lead and zinc ore. Today, Mount Isa is a progressive industrial, commercial and tourist centre with a thriving mining industry. The Traditional Owners of the area are the Kalkadoon people, also known as the Kalatungu, Kalkatunga or Kalkadungu people.

Mount Isa Hospital is the main referral centre within the North West Hospital and Health Service. As at 30 June 2016, there were 52 inpatient beds.

Patients from other facilities across the North West region who require specialist treatment and care are referred to either the Mount Isa Hospital or to other major hospitals within Queensland including Townsville, Cairns and Brisbane. Townsville Hospital and Health Service also provides dialysis renal services from an eight chair satellite Renal Unit based at the Mount Isa Hospital.

Specialist outreach patient services are managed from the hospital, which also provides the major hub for telehealth services across the entire North West service area, with four Primary Health Care Clinics and six hospital sites having access to 24/7 medical and nursing support for the advice and management of lower risk emergency department presentations and other outpatient care.

Originally initiated in 2008, the phased redevelopment of the Mount Isa Hospital is almost complete and will further enhance health service access, provide an environment that supports contemporary models of care, and improve patient facilities and staff amenities. The next financial year will see the completion of all work associated with Mount Isa Hospital.

The Mount Isa Hospital provides ambulatory, sub-ambulatory and inpatient services predominantly in the areas of:

- Accident and Emergency
- Specialist Medical and Nurse Led Services – Outpatients
- General Medical
- Cardiac
- General Surgical including day surgical procedures (endoscopy, colonoscopy)
- Gynaecology
- Ophthalmology
- Obstetrics and Midwifery – Regional Birthing Facility for low and medium risk birthing (from 34 weeks' gestation), with outlying remote facilities only providing emergency/unplanned births
- Critical Care
- Neonatal and Special Care Nursery
- Paediatrics
- Telehealth (inpatient, in reach and outpatient)
- Sub-acute care (palliative, geriatric evaluation and management)
- Mental Health and Alcohol, Tobacco and Other Drugs Service
- Oncology – Chemotherapy support by Townsville Cancer Care service
- Renal (Dialysis provided by Townsville Hospital and Health Service – Satellite unit on-campus Mount Isa).

The Mount Isa Hospital radiology diagnostic service is provided by iMED Radiology through a private outsourcing agreement. The radiology department is co-located within the Mount Isa Hospital providing general computerized radiography, echo-cardiograms ultrasound fluoroscopy and mobile trauma services through a digitalized picture communication system supporting outlying facilities.

Subacute services include Community Rehabilitation in partnership with Mount Isa Centre for Rural and Remote Health and North West Remote Health.

Common episodes of care include: maternity services, chemotherapy, chest pain, colonoscopy, cellulitis, dental extract and restorations, eye clinic, injuries, gastroscopy, respiratory infections and other health care and prevention services.

Key achievements for 2015–2016 include:

- Completion of major refurbishment of Mount Isa Hospital Paediatric Ward and Central Sterilising Department
- Implementation of the Midwifery Led Model of Care to provide a case-load midwife to support women and their families through the entire birthing journey, providing continuity of care
- Physiotherapy department gained access to telehealth in the treatment area with the acquisition of the telehealth equipment This can also be used in other Allied Health treatment areas and is a great asset for consultation in the communities and with tertiary centres
- Attained accreditation December 2015, with four outcomes met with merit.

Looking ahead for 2016–2017, we will deliver:

- Expansion of advanced Musculoskeletal Physiotherapy services with the Emergency Department and fracture clinics to provide more timely service to those patients who have had falls or present with orthopaedic and musculoskeletal conditions
- Continued expansion of the Nurse Navigator Program across the North West Hospital and Health Service. (Nurse Navigators are experienced nurses tasked with easing a patient's journey through the health system, ensuring they are supported and receiving the best possible care in a timely manner.)
- Introduction of a nurse-led Palliative Care Service
- Introduction of new telehealth models of care for pharmacy and oral health services based in Mount Isa to support remote sites
- Ongoing progress towards the completion of Mount Isa hospital refurbishment
- Support and build up junior non-ICU trained staff to be competent Intensive Care Unit-trained nurses
- Locally offered Medical Resonance Imaging services in partnership with private provider, iMED Radiology
- Holistic health care plan for patients by improving immediate access to a client's full clinical record at point of care and improve accuracy of data collection and activity reporting.

Mount Isa Hospital Emergency Department Staff

Mount Isa Hospital Auxiliary

Sandra McGrady and Margaret Ardrey from the Auxiliary sell raffle tickets

Last year the Auxiliary held a raffle for the prize of $10,000 which returned a profit of more than $4,000 for the Auxiliary.

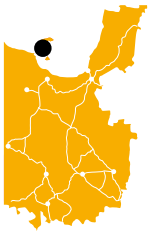
The Annual Christmas Carols for patients, staff and families was held at the entrance to the Hospital on Sunday 6th December 2015.

Donations to Mount Isa Hospital include:

- Paediatrics Ward: Wall decals, training equipment, wheelchair, cots, beds, bedspreads and playground equipment.
- Medical Ward: Electronics and furniture to set up a 'living area' for dementia patients.

The Auxiliary also provide the prizes for the Hospital and Health Service-wide Christmas Decorating Competition.

Mornington Shire
Mornington Island Hospital and Primary Health Clinic



700km north of Mount Isa
125km north west of Burketown
2270km north west of Brisbane

Mornington Island is the largest of the North Wellesley Islands located in the Gulf of Carpentaria and is currently home to a community of approximately 1500 people. The Island achieved self-governance in 1978 and is now controlled by the Mornington Shire Council. The Traditional Owners of Mornington Island are the Lardil people.

Mornington Island Hospital is a rural and remote hospital with 12 inpatient beds. The facility provides 24 hour acute inpatient and accident and emergency care, as well as outpatient community health services from Monday to Friday.

Mornington Island Community Health Clinic is staffed by Aboriginal and Torres Strait Islander health workers and nurses. In partnership with hospital staff and other government agencies, they provide health assessment, chronic disease management, coordinate visiting clinics as well as health education and promotion programs which include:

- a Deadly Ears service
- child and adult respiratory (lung health) care, provided by the Indigenous Respiratory Outreach Care Program
- women's health and child health, provided by the Royal Flying Doctor Service
- Allied health services, provided by the North West Remote Health, and cardiac and respiratory services, provided by The Prince Charles Hospital, Brisbane.

A number of other outreach services are also provided including alcohol and other drugs counselling, maternal health, mental health, dental, diabetic education, Nurse Practitioner renal services, mobile women's health services and sexual health.

Mornington Island sunset

Common episodes of care include: alcohol withdrawal and intoxication, general injuries, cellulitis, digestive system problems and poisoning /toxic effects of drugs – in addition to chest pain, oesophagitis and gastroenteritis, other head injuries, respiratory system and otitis media and upper respiratory tract infections.

Alcohol abuse is by far the biggest preventable cause of increased morbidity and mortality.

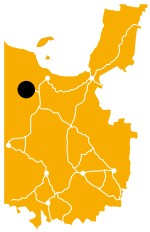
Key achievements for 2015–2016 include

- Hospital staff were trained in alcohol detoxification in September 2015
- A wound management program was instigated under the Hospital in the Home Initiative in December 2015
- Closing the Gap Day was celebrated with an event outside Community Health in March 2016
- Two clinical nurses were trained in Basic Life Support, Paediatric Basic Life Support, Semi Automatic External Defibrillation, and Manual Handling, and will now train the rest of the staff
- A weekly health stall was set up outside the community shop and the community has given positive feedback on this initiative
- Palliative Care program was introduced to allow terminal patients to remain at home as long as possible
- The syphilis epidemic which began in 2012 has seen improvement. At its peak there were 22 new infections in 2014, but only three infections for the 2015–2016 year
- Telehealth services have continued to increase and have expanded into the community with the use of iPads.

Looking ahead for 2016–2017, we will:

- Increase the number of Aboriginal Health Workers
- Continue to increase the use of telehealth
- Improve staff retention to avoid the need for agency staff.

Doomadgee Shire
Doomadgee Hospital



100km south west of Burketown
470km north west of Mount Isa
2200km north west of Brisbane

Covering an area of 186,300 hectares, Doomadgee is located on the Nicholson River in the far north-western corner of Queensland, near the Gulf of Carpentaria. The Waanyi and Gangalidda people are recognised as the traditional owners for the region, which is a Deed of Grant in Trust community governed by the Dooomadgee Aboriginal Shire Council. Aboriginal and Torres Strait Islander people make up 91.9 percent of the population of approximately 1300 people.

Doomadgee Hospital is a Level 1 rural and remote hospital with three emergency and four inpatient beds. The hospital provides accident and emergency care, pharmacy and general outpatient services, including a GP clinic, chronic disease and mental health and alcohol, tobacco and other drugs services.

Health care is delivered in a culturally appropriate environment by Aboriginal health workers and nursing, medical, administration and other operational staff. The hospital works in close collaboration with internal and external community health providers who offer services including assistance with discharge planning, home visits, health screening, patient liaison and advocacy, health education and promotion activities.

A range of visiting and outreach services are provided to the community including medical, cardiac, surgical, obstetrics and gynaecology, child health and paediatrics, renal, aged care assessment, Deadly Ears, dental, diabetes, child and adult respiratory, sexual health and allied health.

Isolation is a key issue with significant lengths of the main road providing access to Doomadgee cut during the wet season, from October to April.

Doomadgee Hospital's Nurse Navigator Noel Lally

Key achievements during 2015–2016 include:

- Introduction of the Nurse Navigator role into Doomadgee Community Health to improve patients' outcomes and navigate the complex health care system
- The introduction of Communicare has improved the recall system, aligning services between the hospital and community health.
- Electronic Data Information Source has been integrated into the Doomadgee Hospital, allowing a move away from paper-based documentation and improving reporting practices
- Stock management system integrated into Doomadgee Community Health to improve service availability and improve patient outcomes
- Roster system to coordinate video conferences commenced in Doomadgee Community Health.

Looking ahead for 2016–2017, we will:

- Expand the primary health model of care for community health that will see nurses and health workers working to the fullest extent of their scope of practice
- Develop and strengthen partnerships with specialist service providers.
- Further develop the Nurse Navigator model of care to help reduce fragmentation, mitigate barriers, build literacy and empower patients.
- Integrate Communicare into the hospital setting and expand Communicare's role in supporting visiting services, enabling holistic care of clients through their health care journey and improving reporting data
- Expand video conferencing support to allow specialist services to be delivered in Doomadgee without the requirement for its community members to travel off country for services.

Carpentaria Shire
Normanton Hospital

500km north east of Mount Isa
700km west of Cairns
2100km north west of Brisbane

Normanton is a small community situated on the banks of the Norman River in the Gulf of Carpentaria. Fishing and prawning industries are the mainstay of the area, along with tourism. The Traditional Owners of the Normanton area are the Gkuthaarn, Kukatj, and Kurtijar peoples.

Normanton is accessible via a network of sealed and unsealed roads. Some roads may be closed during the wet season between December and March. A sealed airstrip provides year round access to the community.

Normanton Hospital has 16 acute inpatient beds with capacity to provide respite/palliative care services. The accident and emergency department operates 24 hours per day, seven days a week. Other health services, including general outpatient, nurse and medical officer clinics, plain film radiology, pathology, nurse-led pharmacy and dressing clinics are also available.

Normanton Community Health works in partnership with Normanton Hospital staff to provide health education and promotion programs, and health assessments. Services include discharge planning, home visits, health screening, patient liaison and advocacy, education and support.

Speciality visiting services include Royal Flying Doctor's Women's Health Doctor, allied health services provided by the North and West Remote Health, women's health and the Australian Hearing Services.

Common episodes of care include: chest pain, general injuries, digestive system disorders, cellulitis, alcohol intoxication and withdrawal – in addition to oesophagitis and gastroenteritis, abdominal pain, respiratory system, otitis media and upper respiratory tract infections and non-surgical spinal disorders.

Normanton Hospital

Key achievements during 2015–2016 include:

- Improved access to nursing staff accommodation
- Improved engagement of consumers in accessing and returning to community
- Establishment of Telehealth clinics leading to reduced waiting times, improved access to medical professionals, reduced need for travel and improved cost efficiency of services
- Recruitment of Trainee Health Worker
- Community Health Team commenced random street screening
- Mount Isa Sexual Health Clinic, Community Health Team and North and West Remote Health Service worked together successfully during the Young Persons' Health Check
- Recruitment of Clinical Nurse Consultant in Community Health
- Dedicated Nurse Practitioner clinics leading to improved continuity of care for patients
- Haemodialysis room for outpatient use.

Looking ahead for 2016–2017, we will deliver:

- Further development of Telehealth services
- Improved integration of hospital and community health
- Improved follow up in the community following discharge
- Increase public awareness of services and contact details
- Develop and record Community Health activity.

Carpentaria Shire
Karumba Primary Health Clinic

70km north of Normanton
570km north west of Mount Isa
2222km north west of Brisbane

Located at the mouth of the Norman River, on the coast of the Gulf of Carpentaria, Karumba's main industries are based around tourism and fishing. Approximately 600 people reside in the Karumba region. With an estimated 100,000 visitors each year, tourism increases the population by an additional 2000 to 3000 people from April to September. The Yangkal and Kaiadilt peoples are recognised as the Traditional Owners of the lands in the Karumba area.

Karumba Health Clinic is a Level 1, Tier 2 facility under the Rural and Remote Clinical Services Capability Framework. The service provides a low risk ambulatory care service only, predominantly delivered by a Registered Nurse. The Nurse Practitioner model of care supports Medical Officer scheduling. A visiting general practitioner provides a medical service twice per week.

Patients requiring higher levels of care are managed for short periods prior to transfer to a higher level service.

Visiting allied health services, physiotherapy, dietician, speech therapy, occupational therapy, diabetes education, continence advice and podiatry are provided by North and West Remote Health. Other visiting outreach services include cardiology, obstetrics and gynaecology, respiratory, surgery and women's health services and Royal Flying Doctor Service Mental Health counsellor.

Common episodes of care include: general outpatients, pathology collection, immunisation, health checks, medication prescription, pre and post natal checks, home visits including palliative care in the home, acute and chronic wound care.

Karumba Primary Health Clinic's beautifully tended gardens

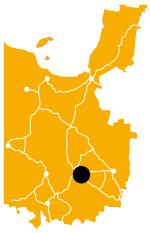
Key achievements during 2015–2016 include:

- Nurse Practitioner model of care clinic days changed, enabling access to another provider for scripts, referrals and health checks
- Ambulance carport was replaced to accommodate larger vehicle, via funding from Queensland Ambulance Services
- Implementation of Communicare, Measurement, Analysis and Reporting System and Emergency Department Information System data systems
- Personal security alarms installed.
- Clinical Nurse position was increased from part time to full time
- Telehealth opportunities continue to increase
- Arbour virus surveillance performed in partnership with Public Health Unit
- Kathy Walden received the Queensland Health Services Unit excellence award
- Robert Menzies received Defence Australian Border Protection medal
- Karumba Point Tourist Park donated a gynaecological examination table worth $3,613.

Looking ahead for 2016–2017, we will deliver:

- Community nursing, including palliative care and home visits for clients with mobility difficulties
- Using Communicare, establish and maintain a complete health summary for the large elderly population, including medication reviews
- Health promotion linked to annual health activities such as Diabetes Week, Kidney Awareness Week
- Promote wellbeing checks in the community.

Cloncurry Shire
Cloncurry Multipurpose Health Service (MPHS)



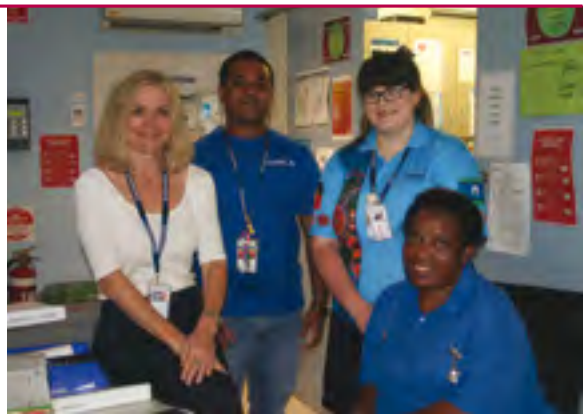
120km east of Mount Isa
766km east of Townsville
1708km west of Brisbane

Cloncurry is located on the Cloncurry River in central west Queensland and comprises approximately 3445 residents supplemented by a fly in, fly out workforce of a further 3000 inhabitants. The town supports major silver, gold, copper and zinc mining operations and also has thriving cattle and sheep industries. The Mitakoodi people are recognised as the Traditional Owners of the lands surrounding the Cloncurry region. In total, just over twenty percent of the local population identify themselves as Indigenous Aboriginal.

Cloncurry Multipurpose Health Service provides rural and remote hospital services including a 15 inpatient bed facility, 10 bed residential aged care facility, emergency department and outpatient department. A multidisciplinary model of care is implemented across the continuum with inpatient services supported by a Medical Superintendent.

Community health services include aged care assessment team, sexual health, chronic disease management, diabetes education, mental health, alcohol and drug service, school health, child and youth health, women's health, palliative care, physiotherapy, dietician, and optometry services.

Common episodes of care include: general injuries, chest pain, digestive system disorders, abdominal pain, and respiratory infections.



Chief Executive Lisa Davies Jones with Cloncurry Aged Care team

Key achievements during 2015–2016 include:

- Securing a partnership grant with Ernest Henry Mining for equipment
- Re-modelling of Clean Utility room and Store room
- Introduction of electronic database Emergency Department Information System, Communicare and Hospital Based Corporate Information System clinic bookings
- In response to community input, introduction of the Midwifery Led Model of Care to provide a case-load midwife to support women and their families through the antenatal and postnatal process, providing continuity of care
- Commencement of Medical Imaging Assistant
- Completion of Archive building
- Upgrade of women's bathroom
- Working in partnership with the community by means of the Community Advisory Network
- Succession planning: supported the growth and development of staff, so they can backfill positions
- Local training in collaboration with other services such as simulated training scenarios with Queensland Ambulance Service and James Cook University
- 2016 Nurse of the Year awarded to Joanne Gabbert, with five other nominees from Cloncurry Multipurpose Health Service
- Increased efficiencies for staff introduced by relocation of central clinical stores. A new Archives building has also enabled the integration of facility file management systems.

Looking ahead for 2016–2017, we will deliver:

- Relocation of Community Health to a larger building
- Reintroduction of school-based traineeships for Aged Care.

Cloncurry Shire
Dajarra Primary Health Clinic

150km south of Mount Isa
1950km north west of Brisbane

Dajarra is located south of Mount Isa, towards Boulia, and was once a major railhead for the cattle industry, providing a connection to the ports and markets of the east coast of Australia. More recently, opportunities for local employment have come with the development of a nearby phosphate mine and fertilizer production plant. The area has a rich Aboriginal heritage and the Traditional Owners of the Dajarra area are the Yulluna people.

Dajarra Primary Health Clinic is a nurse-led primary health care facility staffed by one Nurse Practitioner supported by an administration officer, ambulance driver and an Aboriginal health worker. Clinic services operate Monday to Friday, with emergency on call and hospital-based ambulance services available 24 hours a day, seven days a week.

Services include short term inpatient observation, domiciliary nursing services, women's health, pregnancy and child health services and emergency services with stabilisation capacity prior to transfer to a referral hospital. Chronic disease management, home visiting, point of care pathology testing, short stay observation of less than four hours, community health promotion and prevention programs and coordination of visiting services are also managed out of the Primary Health Clinic.

Visiting services include women's health, alcohol and drug, surgical clinic, diabetes, Deadly Ears and respiratory, optometrist and cardiology outreach services. The Royal Flying Doctor Service provides general practitioner, child health, women's health and emergency retrieval and clinical support services. North West and Remote Health also provides a range of allied health services and diabetes education.

Chief Executive Lisa Davies Jones and Board Chair Paul Woodhouse, with Director of Remote Hospitals, Ben Jesser, and Acting Director of Nursing, Milo Frawley at the Dajarra Clinic

Common episodes of care include: trauma, cardiology, immunology and infections, and neurology, in addition to orthopaedics, urology, respiratory, gynaecology and non-subspecialty surgery and general medicine.

Key achievements during 2015–2016 include:

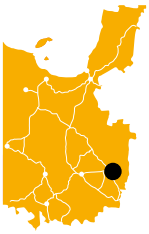
- Introduction of Outreach rural pharmacist to provide support for audit mechanisms
- Successful school health promotion activity including a visit to the clinic by local children and clinician visits to the school. This promotion includes Healthy Skin and Healthy Ears visits.
- Further roll out of Healthy Aging Clinic and an extended chronic disease and healthy skin program in the community.
- Successful uptake of Webster pack medication systems making it easier for patients and carers to manage medications
- Development of a community garden to promote the importance of fresh fruit and vegetables and to develop local skills
- The then Acting Director of Nursing Karen Collas was awarded the Churchill Scholarship to complete research into ensuring the sustainability of Nurse Practitioners in rural and remote areas.

Looking ahead for 2016–2017, we will deliver:

- Increased chronic disease management and point of care testing, resulting in an increase in more comprehensive adult health checks.
- Improved patient experience and efficiency by continued and increased utilisation of Telehealth
- Increased health surveillance of chronic disease, formalising the local model to develop additional Home and Community Care partnerships.

McKinlay Shire

McKinlay Shire Multipurpose Health Service (MPHS)



260km east of Mount Isa
650km west of Townsville
1633km north west of Brisbane

Julia Creek is a cattle and sheep grazing area located on the Flinders Highway, one of the most important interstate road routes in Australia. The major administrative and business centre of the shire, the town also supports silver, lead and zinc mining. Julia Creek Shire sits above the Great Artesian Basin which provides a flowing bore of heated water to the centre of town. McKinlay Shire has a population of approximately 1050 people. The Traditional Owners of the area are the Mitakoodi people.

The McKinlay Shire Multipurpose Health Service works in close partnership with the McKinlay Shire Council to deliver health and community services to the whole of the Shire. The Multipurpose Health Service and the McKinlay Shire Council jointly fund the position of a community nurse, which is managed, along with the Home and Community Care (HACC) services, by the Shire Council. The Julia Creek Hospital is a 10 bed facility with four permanent Residential Aged Care places for local members requiring permanent high care nursing. A Seniors' Housing Precinct, incorporating eight seniors' housing units and a community centre is in close proximity to the Hospital.

A weekly rotation of visiting Senior Medical Officers provides medical services via an external General Practitioner surgery and the Julia Creek Hospital. Outreach services are provided on a regular basis by visiting teams. Telehealth is available via the hospital to minimise disruption and cost to patients and the North West Hospital and Health Service caused by travel to specialist appointments away from home.

Chief Executive Lisa Davies Jones with Acting Director of Nursing, Kelly Smith, at McKinlay Shire Multipurpose Health Service

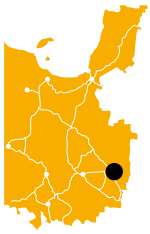
Key achievements during 2015–2016 include:

- A more 'home like' environment has been created for the high care residents
- Multipurpose Health Service Community Advisory Network (CAN) is well attended and consists of representatives of most Government departments in the Shire as well as representatives of community organisations
- Multipurpose Health Service Executive Committee formed with representatives from the North West Hospital and Health Service, McKinlay Shire Council, the Community Advisory Network and the medical clinic
- Health Advisory Panel meetings continue every three months
- Discharge and Personal Care Plans for transition of clients to the community have been developed in cooperation with the McKinlay Shire Council Community Care and Home and Community Care
- A Community Profile tool has been created to monitor each individual aged client in the community and to note changes and plan for future needs
- The recognition of Mrs Ellen Fels' 50 years of service with the Julia Creek Hospital/McKinlay Shire Multipurpose Health Service
- The recognition of Mrs Margaret Woodhouse's 30 years of service as physiotherapist at the Julia Creek Hospital/McKinlay Shire Multipurpose Health Service.

Looking ahead for 2016–2017:

- With Government funding of $5m allocated for the upgrade of the Residential Aged Care Facility within the Multipurpose Health Service, as well as upgrade and extension of the Julia Creek Hospital, it is anticipated that the 2016–2017 period will be an exciting one for the Multipurpose Health Service and community members.

McKinlay Shire
McKinlay Primary Health Clinic



228km south east of Mount Isa
864km west of Townsville
1,595km north west of Brisbane

McKinlay is a town in remote north west Queensland, located on the Landsborough Highway. At the 2011 census, McKinlay and the surrounding pastoral area had a population of 417.

McKinlay is a cattle and sheep grazing area established in 1888 as a staging post for the Cobb and Co. coaches and a gathering point for the graziers from surrounding properties. Today, it is known for the Walkabout Creek Hotel, featured in the movie *Crocodile Dundee*. BHP Cannington Mine, Australia's largest silver and lead mine, is 85 km west of McKinlay.

The matter of providing suitable nursing and health care in McKinlay dates back to 1924. From that time, local residents have played a role in establishing and maintaining bush nursing centres and financially supporting their presence by donations and fundraising by way of dances, raffle tickets, markets and gymkhanas. The first Bush Nursing Association building in McKinlay opened in 1927.

Today, the North West Hospital and Health Service works in close partnership with the McKinlay Shire Council to deliver health and community services, fondly referred to as the 'Bush Nurse Clinic', to the McKinlay and Kynuna community.

McKinlay Primary Health Clinic

Key achievements during 2015–2016 include:

- Recruitment of a permanent Clinical Nurse Consultant, from Monday to Friday, 8am to 4.30pm
- Refurbishment of staff quarters including provision of digital television and landline telephone for provision of internet service for both permanent and relief clinical staff
- Implementation of Communicare
- Community consultation involving North West Hospital and Health Service and the McKinlay Shire Council on the future of McKinlay Clinic.

Looking ahead for 2016–2017, we will:

- Recruit a permanent Director of Nursing /Nurse Practitioner
- Recruit a permanent Operational Service Officer
- Transition the Bush Nurse Clinic to a Primary Healthcare Clinic in line with other North West Hospital and Health Service Primary Healthcare Clinics
- Implement extended service hours, Monday to Friday, from 8am to 4.30pm with on call nursing assistance 24 hours a day, seven days a week
- Implement a Nurse Practitioner model of care
- Implement information technology such as the Measurement, Analysis and Reporting System, Emergency Department Information System data systems, iPharmacy and Hospital Based Corporate Information System
- Deliver home visiting of patients and families as eligible for Home and Community Care
- Implement chronic disease management and self-care promotion
- Assess support requirements of an increasing aging population living on pastoral stations
- Develop a plan to provide additional housing for the permanent Director of Nursing.

Burke Shire
Burketown Primary Health Clinic

550km north of Mount Isa
2174 north west of Brisbane

Burketown is located on the Albert River about 25 kilometres from the Gulf of Carpentaria in the heart of the Gulf country. Located in a remote setting, road access to Mount Isa and Cloncurry is restricted during wet season closures, although an all-weather airport provides regular scheduled services to Mount Isa and Cairns. Approximately 515 people live in Burketown and the surrounding areas. The Traditional Owners of the area are the Waanyi people.

Burketown Primary Health Centre is a Level 1 –Tier 2 facility under the Rural and Remote Clinical Services Capability Framework. The service provides a low risk ambulatory care service only, predominantly delivered by a Registered Nurse. The nearest tertiary referral centre is Townsville (1500km away).

During winter months population numbers can increase significantly with 'grey nomads' and holiday makers.

The Royal Flying Doctor Service provides a weekly General Practitioner clinic and child health clinic every two weeks.

The service also provides an outpatient service, chronic disease management and stabilisation of acute care patients prior to transfer to a higher-level facility.

Other services provided include point of care pathology, pharmacy, pre and post natal care, community nursing, telehealth, Hospital based ambulance, visiting allied health services, Mobile Women's health, Indigenous Cardiac Outreach Program, endocrinology, diabetes nurse practitioner, ophthalmology and breast screening.

Burketown seen from the air

Telehealth is increasing in use and this service provides the patient with contact with specialty services without having to travel. Travel for specialty services often means being away from Burketown for over a week, because of limited public transport options.

Key achievements during 2015–2016 include:

- Providing a quality service to patients with chronic diseases
- Have had videoconference software installed on iPad, giving another avenue for patient consultations and staff education.

Looking ahead for 2016–2017, we will deliver:

- Increased Telehealth occasions of service
- A full complement of staff, the first time in approximately 12 years that staffing will be complete. This will be a very exciting time for Burketown as we will be able to focus increasingly on primary health care in Burketown
- Roll out Communicare in the health clinic thus providing a streamlined and comprehensive electronic record for patients, regardless of where they receive care
- Continue to increase the numbers for Telehealth.

Mount Isa City
Camooweal Primary Health Clinic

188km from Mount Isa
330km south of Burketown
2019km north west of Brisbane

Camooweal is a country town of approximately 200 people situated 13 kilometres from the Northern Territory border. Established in 1884 as a service centre for surrounding cattle properties, Camooweal marks the furthest tip of Mount Isa City Council catchment and last petrol stop for people travelling into the Northern Territory for about 300 kilometres. The Indjalandji-Dhidhanu people are recognised as the traditional custodians of the lands around Camooweal.

There is a mix of Indigenous and non-Indigenous patients, mostly locals and staff from surrounding stations, including in the nearby Northern Territory. The winter months see an increase in tourists.

Camooweal Primary Health Clinic is a nurse led facility.

Services include 24-hour emergency room access staffed by a nurse practitioner with immediate phone access to the Royal Flying Doctor Service. Special circumstances may require video teleconferencing, which is performed with assistance of Telehealth Emergency Management Support Unit in Brisbane. Elective video conferencing is available for certain specialty services and connects with clinical specialists in Mount Isa, Townsville, Brisbane and elsewhere.

Visiting services include the Royal Flying Doctor Service, endocrinology, cardiology, child health nurse, women's health nurse, dentistry, diabetes nurse practitioner, Alcohol, Tobacco and Other Drugs, and the North and West Remote Health team which includes diabetes nurse educator, podiatry, occupational therapy and physiotherapy.

Camooweal Primary Health Clinic

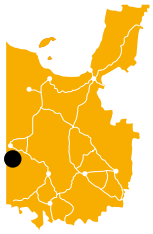
Key achievements during 2015–2016 include:

- Recruitment of permanent nurse practitioner and clinical nurse to Camooweal Primary Health Clinic
- Commencement of case management of chronic condition patients in collaboration with families, Royal Flying Doctor Service General Practitioners and Medical Specialists to facilitate patient self-management, community resilience development and reduction in hospital admissions related to acute exacerbation of chronic conditions
- Commencement of Camooweal School Screening for skin sores, scabies and head lice
- Home visiting of medically at-risk patients and families
- Increased security measures for staff and patients (installation of four security doors, light switches relocated from outside to inside, landing added to rear steps for safety for emergency exits, external lights added to ambulance shed, fully lockable perimeter fence)
- Complete refurbishment of visiting staff quarters including provision of digital television and landline telephone for provision of internet service for both permanent and relief clinical staff.

Looking ahead for 2016–2017, we will:

- Retain clinical, operational and administrative staff in Camooweal
- Upskill and develop clinical, operational and administrative staff by ongoing education and clinical training with a focus on collaborative management of the patient and families in Camooweal
- Undertake patient and community survey to ascertain appropriateness of service delivery and satisfaction with services, with ongoing community engagement.

Boulia Shire
Urandangie Health Clinic



187km south west of Mount Isa
295km from Boulia
2007km north west of Brisbane

The community of Urandangie is located in the local government area of Boulia Shire. Located on the banks of the Georgina River, the community has a population of around 20–30 permanent residents but can at times build up to between 50 and 80. Urandangie is home to the Bularnu Waluwarra and Wangkayujuru people who are the Traditional owners of the area.

The North and West Remote Health and Royal Flying Doctor Service have regular clinics in Urandangie. The North West Hospital and Health Service's Community and Primary Health Care Chronic Disease Team have an indigenous health worker team visit several times a year. When required the team provides help with patient transport for clients who have been discharged from Mount Isa Hospital, or who are required to attend appointments for Deadly Ears, breast screening, dental, outpatient clinics and other specialised appointments.

The Community and Primary Health Care Maternal, Child and Youth Health team perform hearing health screening at Urandangie School. The Community and Primary Health Care Women's Health team hold clinics in Urandangie several times a year.

Advanced Indigenous Health Workers in the Chronic Disease Team, Doris Craigie and Tony Williams, outside the Urandangie Health Clinic

Key achievements during 2015–2016 include:

- Hearing health screening at Urandangie School
- Nutritionist visited to conduct cooking classes.

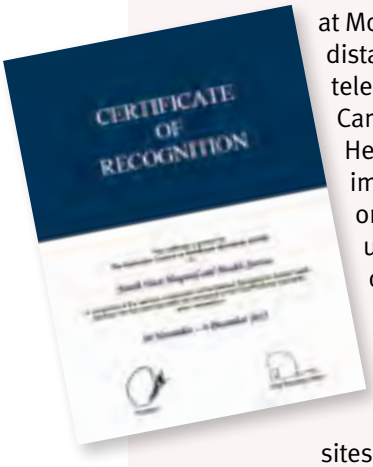
Looking ahead for 2016–2017, we will deliver:

- Visits from the health promotion team where the student doctors of North West Hospital and Health Service are introduced to the real remote communities as part of their orientation
- Delivery of Mr Germ program in the school to promote the importance of washing hands and blowing noses, and Healthy Skin resources for parents and teachers on scabies, boils and head lice
- Gather resources that are Indigenous-identified for community members to increase knowledge or awareness on a range of issues, including: diabetes, renal failure, heart disease, eye care, skin care, healthy eating, getting physical, alcohol and drugs, and services provided by government agencies
- Awareness raising on certain topics for example during Heart Week, Mental Health Week, and NAIDOC
- The Chronic Disease Team aim to integrate visits with complementary teams within the Community and Primary Health Care team such as Healthy Skin, Rheumatic Heart Disease and Diabetes nurses. Helping clients within the Urandangie community to manage their chronic diseases will be part of the service provided, however an increased focus on health promotion to prevent the development of disease will be a major goal.

Accredited

The four year cycle of Accreditation is managed by The Australian Council on Healthcare Standards. It is a formal process to assist in the delivery of safe, high quality health care, based on standards and processes devised and developed by health care professionals for health care services. The 2015 process was the second cycle of accreditation for the North West Hospital and Health Service.

The Australian Council on Healthcare Standards sent a team of surveyors to Mount Isa in the first week of December, 2015 where they were split into three teams. The North team spent three days reviewing all the northern services, flying to all the outlying communities. The East team spent two days travelling by road to the Julia Creek and Cloncurry Multi-Purpose Healthcare Centres. A team of three spent the full five days at Mount Isa Hospital. Because of distance, the survey team held teleconferences with the nurses at Camooweal and Dajarra Primary Healthcare Centres, and was impressed with the training and organisation of staff and the use of video conferencing for diagnostic purposes as well as emergency management of patients.



Also impressive were the annual Service Profiles for all sites developed by the Nursing and Midwifery Services, using the Business Planning Framework to provide the local demographics, models of care, changes in service delivery, safety and quality indicators and staffing profiles.

Improved reporting in remote sites was noted, due to the implementation of information systems such as the Hospital Based Corporate Information System, Emergency Department Information System and iPharmacy systems, to capture patient activity and improve decision making.

Improvements were also noted with Doomadgee in terms of alcohol and drug treatment, mental health and sexual health. Mornington Island's innovative Community Care program, coordinating health promotion activities and health wellbeing for the community, was also commended.

Mental Health was assessed for the first time, and the survey team was "broadly impressed with the Mental Health Service".

The survey team saw significant improvements across the Hospital and Health Service, such as integration of services within the Hospital and Health Service supported by the appointment of a position responsible for the rural and remote sites. It was noted that the Board and Executive members visited these sites periodically.

The survey team noted an improvement in the staff culture of patient safety, which is identified within the strategic plan. They congratulated staff, the North West Hospital and Health Board and Executive Management Group on tangible improvements to the Health Service, resulting in a successful survey outcome.

The four year process continues for the Hospital and Health Service with a self-assessment in November 2016, and a periodic review in November 2017, leading to another organisation-wide survey in 2019.

The 10 standards developed to protect the public from harm and to improve the quality of health service provision are:

1. Governance and quality improvement
2. Partnering with consumers
3. Preventing and controlling healthcare associated infections
4. Medication safety
5. Patient identification and procedure matching
6. Clinical handover
7. Blood and blood products
8. Preventing and managing pressure injuries
9. Recognising and responding to clinical deterioration in acute health care
10. Preventing falls and harm from falls

OUR STRATEGIC DIRECTION

The North West Hospital and Health Service is committed to becoming Queensland's leading Hospital and Health Service, exceeding the government's expectations by delivering excellence in rural and remote healthcare for the individuals, families and communities of the North West region and becoming a proud employer of choice for our staff.

Aligning the North West Hospital and Health Service strategic priorities with those outlined in the *Department of Health Strategic Plan 2016–2020*, we will work together with our partners and other stakeholders to achieve the following objectives of the Queensland Government:

- Delivery quality frontline services
- Building safe, caring and connected communities
- Creating jobs and a diverse economy.

We will do this by strengthening our public health system, providing responsive and integrated government services, supporting disadvantaged Queenslanders, and improving health outcomes.

Fundamental to this are early intervention and prevention models of care, improved health equity and access to healthcare for the communities we serve in conjunction with a number of partners, which include:

- Aboriginal Health Services such as Gidgee Healing, a Mount Isa Aboriginal Community Controlled health Service
- The Flinders Medical Centre, Cloncurry and the Western Queensland Primary Health Network
- Other outreach Allied Health and medical service providers, including the Deadly Ears and Indigenous Respiratory Outreach Care (IROC) programs
- The Royal Flying Doctor Service, which provides emergency evacuations and other primary health care services
- Queensland Ambulance Service and the Queensland Police Service
- Centacare, Headspace and other charitable or not for profit enterprises
- Shire Councils including McKinlay Shire (Julia Creek), Boulia Shire (Urandangi) and Cloncurry Shire (Dajarra)
- Universities and other education providers, including Mount Isa Centre for Rural and Remote Health, hosted by James Cook University.

Our strategic direction is also underpinned by a number of national and state agreements, strategies and plans which include, but are not restricted to:

National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes

Closing the gap in life expectancy between Aboriginal and Torres Strait Islander people and other Queenslanders by 2033, and halving the Indigenous child mortality gap by 2018 are key priority areas under the National Indigenous Reform Agreement (NIRA) and *Making Tracks toward closing the gap in health outcomes for Indigenous Queenslanders by 2033: policy and accountability frameworks*.

Queensland Health Aboriginal and Torres Strait Islander Cultural Capability Framework 2010–2033

The framework outlines the core principles of cultural respect and recognition, communication, relationships and partnerships, and capacity building which underpin our approach to delivering culturally responsive health services.

Queensland Plan for Mental Health 2007–2017

This plan seeks to facilitate access to a comprehensive, recovery oriented mental health system to improve mental health for all Queenslanders.

Queensland Mental Health, Drug and Alcohol Strategic Plan

Developed by the Queensland Mental Health Commission, this whole of government plan sets the vision to further establish a more integrated, evidence-based, recovery-oriented mental health and substance misuse system.

Queensland Health Disability Services Plan 2014–2016

Sets actions to improve access and participation of people with disabilities across the system, including Queensland Health employees, people seeking employment, or people accessing health services provided by health care facilities.

Queensland Health Clinical Services Capability Framework

Which specifies minimum support services, staff profile, safety standards and other service requirements for both public and provide sector health care providers.

Better health for the bush

Developed by the Statewide Rural and Remote Clinical Network (SRRCN) to define clearer service capability standards and service expectations for rural and remote communities.

As we work through our strategic plan in 2016–2017, we will be adhering to Queensland Health's values: Putting customers first, being courageous, putting ideas into action, unleashing potential and empowering people.

Strategic priorities

The *Financial and Performance Management Standard 2009* requires the development and periodic review of a strategic plan to identify our key objectives and actions to be implemented to achieve them. Such planning also ensures our actions align with the government's broader objectives for the community.

Our key strategic priorities as at 30 June 2016 to be delivered during the 2016–2017 financial year – are as follows:

Strategic Priority 1:

Safe and high-quality service delivery through continuous improvement.

Objective
The North West Hospital and Health Service will provide excellent quality, evidence-based and safe services that are well coordinated, efficient and sustainable.

Strategies
Develop and implement models of care that are tailored to the specific needs of our communities, evidence-based, clinically appropriate and cost effective.
Partner with other health care providers and communities to create an integrated system of care for our local communities.
Monitor, report and continuously improve the quality and safety of clinical care.
Continue to meet or exceed national healthcare and other required standards.
Engage with our communities to promote participation in health.

Strategic Priority 2:

A highly skilled, motivated and engaged workforce which continually strives to improve patient care and Hospital and Health Service performance.

Objective
The North West Hospital and Health Service will support and develop its best people to perform at their best.

Strategies
Develop, support and engage with our staff to make the North West Hospital and Health Service a great place to work and an employer of choice.
Adopt a strategic approach to workforce planning that focusses on high levels of engagement through collaboration and 'growing our own'.
Communicate and consult with our staff, provide feedback and implement reward and recognition mechanisms.
Use contemporary initiatives to attract and retain people with the attributes, skills and experience to help achieve our ambitions.
Apply, allow and embed high quality management and leadership practices and behaviours.

Strategic Priority 3:

Strong partnerships which build integrated and streamlined services.

Objective
The North West Hospital and Health Service will work with its service partners and local communities to ensure access to health services across the spectrum with a focus on identified regional priorities.
Strategies
Support and partner with Indigenous health services.
Connect health services and shared patient information.
Drive a regional strategy which has a patient-centred approach.
Engage patients and families in a meaningful way to improve their health experience.
Work with other service providers, patients and their families to design services which are easy to understand, access and navigate.
Improve each patient's pathway by working with other service providers and communities.

Strategic Priority 4:

An environment that supports innovation, technology and research.

Objective
The North West Hospital and Health Service will support innovative thinking and ideas that support it to achieve its vision.
Strategies
Develop new service models through technology and innovation.
Create a vibrant research and innovation culture.
Be an active member of any research body that provides benefit to the North West Hospital and Health Service.
Adopt information technology and systems that support best practice and the delivery of integrated health care.

Strategic Priority 5:

An accountable, responsible and stable Hospital and Health Service.

Objective
The North West Hospital and Health Service will effectively meet its statutory requirements through good governance principles.
Strategies
Maximise the utilisation of our resources and assets.
Measure the things that matter.
Live within our means and minimise waste.
Improve data timeliness, integrity, reliability and use.

Strategic risks and opportunities

The ongoing effective management of the following core risk areas is central to ensuring that high quality health services continue to be delivered to the people we serve across the North West Hospital and Health Service.

Attracting and retaining a workforce that is skilled, confident, effective and flexible

- We will continue to facilitate partnerships with tertiary facilities to enhance our position as the leader in rural generalist training across Medical, Nursing and Allied Health disciplines. Early 2016 saw the North West Hospital and Health Service accept five rural generalist interns to commence training in North West. Through providing a teaching, training and research environment with career progression opportunities, we ensure an ongoing recruitment advantage.
- Further accreditation of our training pathways with Specialist Medical Colleges has led to a more clearly established choice of career paths and opportunities for our medical officers
- Cross disciplinary teaching and training including simulation models has allowed a more integrated approach to workforce development and training outcomes are enhanced
- Provision of support for recruited practitioners, such as housing and inaccessibility allowances, is pivotal to recruitment and retention
- Continue on the Magnet Recognition Programme journey to facilitate recruitment and retention of nurses and midwives. Magnet

Recognition® is a credential that is granted to healthcare organisations that achieve exceptional quality and safety outcomes by nurturing professionalism, sustaining positive and collaborative work environments, supporting lifelong learning and fostering engagement and innovation

Achieving our intent to lead innovative practices using the available Information and Communications Technology infrastructure

- The North West Hospital and Health Service is pursuing a position as a best practice site with the adoption and adaptation of Information and Communications Technology, particularly telehealth and information management systems such as Communicare
- Access to and communication between systems is a critical success factor in achieving our goals in Information and Communications Technology

Delivering integrated and coordinated care in an environment where responsibility and funding is fragmented

- Endeavours to build strong partnerships with the Western Queensland Primary Health Network are in progress and inter-organisational strategies to tackle the adverse primary health care outcomes for the North West will be developed in 2016–2017
- Clinical Leadership and a focus on patient outcomes will guide the integration of healthcare delivery that sees a more seamless and responsive delivery of service
- Investment in compatible health information systems is needed to ensure the sequential and concurrent services received by patients are managed effectively, for example, communication between providers in acute care and primary care

Meeting challenges associated with the projected increase in burden of disease

- The State report from the Chief Medical Officer on the burden of disease clearly shows the North West region as having an unacceptably high burden of disease. The treatment and prevention of illness and disease requires enhanced services and empowered practitioners who are able to work in a sustainable environment which focuses on areas of high need such as diabetes, cardiovascular disease, respiratory diseases and infectious diseases
- Increased access to public health screening, trends and data will assist in guiding the strategies and implementation of new and strengthened services to address the current high burden of disease
- Cross sector efforts with education, social services and justice should be undertaken to identify areas of collaboration

Meeting community health expectations with finite resources

- Ongoing community engagement is needed with review of models of care to align with contemporary and innovative best practice for remote locations.
- In 2016–2017, we will again continue to improve access to telehealth services and develop new models of care provision to ensure care is provided in appropriate settings closer to home.

Service areas and standards

A service agreement between the Department of Health and the North West Hospital and Health Service defines the health services, teaching, research and other services that are to be provided and the associated funding for the delivery of these services. It also defines the outcomes that are to be met and how its performance will be measured.

For 2015–2016 the service agreement in force, covers the period from 1 July 2013 to 30 June 2016. During the reporting period, a number of changes relating to funding, activity, and key performance indicators were agreed with the Department of Health in December 2015, March 2016 and June 2016.

Our ongoing performance against a range of key efficiency indicators are as follows:

Effectiveness – Safety and Quality, including in-hospital mortality, unplanned readmissions and hospital acquired infections and Community mental health packages of care.

Efficiency – efficiency and financial performance, including full year forecast financial position and average length of stay for multi day stay patients

Equity and effectiveness – Access, including shorter stays in emergency departments, elective surgery patients treated in time, fewer long waiting specialist outpatients, potentially preventable hospitalisations (Chronic conditions), Potentially preventable hospitalisations (A&TSI), Discharge against Medical advice (A&TSI) and Tele-health services.

Performance statement:
North West Hospital and Health Service 2015–2016

	2015–2016			Commentary
	Target / Estimate		Estimate / Actual	
Effectiveness measures				
Patients attending emergency departments seen within recommended timeframes [1-3]	Category 1 (2 minutes)	100%	100%	The North West Hospital and Health Service has **exceeded** the required level of service against each of the required categories.
	Category 2 (10 minutes)	80%	98%	
	Category 3 (30 minutes)	75%	90%	
	Category 4 (60 minutes)	70%	83%	
	Category 5 (120 minutes)	70%	93%	
Emergency department attendances departing within four hours [1, 2]	90%		90%	The North West Hospital and Health Service has **achieved** the required level of service against each of the required categories.
Median wait time for treatment in emergency departments [1]	20 minutes		15 minutes	
Elective surgery patients treated within clinically recommended times [4]	Category 1 (30 days)	>98%	90%	As at 30 June 2016, only one elective surgery patient was waiting longer than the recommended time.
	Category 2 (90 days)	>95%	84%	
	Category 3 (365 days)	>95%	95%	
Rate of healthcare associated Staphylococcus aureus (including MRSA) bloodstream (SAB) infections, [5]	Less than 2.0 patients per 10,000 acute public hospital patient days		2	The North West Hospital and Health Service will continue to strive to **achieve** the required minimum rate.
Specialist outpatients waiting within clinically recommended times [6]	Category 1 (30 days)		36%	The North West Hospital and Health Service has undertaken significant work in relation to specialist outpatient waiting times and the number of long waits are reducing.
	Category 2 (90 days)		70%	
	Category 3 (365 days)		90%	
Median wait time for elective surgery [4]	25 days		54 days	Rigorous reviews of Elective Surgery processes were conducted in June 2016 which will ensure that North West Hospital and Health Service meets the target for median wait time for 2016–2017.
Efficiency measures				
Average cost per weighted activity unit for Activity Based Funding facilities [7]	$5,306		$6,556	Due in part to costs attributed to: • remoteness of the Mount Isa Hospital, • the high burden of disease associated with Indigenous Patients (>70% of resource consumption) unrecognised by the National Efficient Price and • the costs unique to Mount Isa's activity based funding status including Remote Area Nursing Incentive Package and staff accommodation, travel and clinical down time during travel. Compounding these factors is the inability of the North West Hospital and Health Service to meet fixed cost structures associated with the level of specialty clinical service provision at the volumes of episodes presenting. This cost inefficiency is balanced against the cost of subsidising these patients to travel to Townsville to receive specialty care.
Total weighted activity units [8,9]	17,120		15,644	The North West Hospital and Health Service will continue to try to achieve the required total levels of service.

Source: 2016–2017 Queensland State Budget – Service Delivery Statements – North West Hospital and Health Service, July 2016

Notes:

1. The 2015-16 Estimated Actual figures are based on 10 months of actual performance from 1 July 2015 to 30 April 2016. From 2015 -16, Queensland Health expanded the centrally collected dataset from 26 emergency departments to include an additional 32 emergency services in regional and rural areas around Queensland. This expansion to 58 facilities provides a broader representation of the patients who require emergency services.
2. This information is sourced from the Queensland Health Emergency Data Collection.
3. A target for percentage of emergency department patients seen within recommended timeframes is not included for the 'All Categories' as there is no national benchmark. The included triage categories 2015–2016 Target/Estimates are based on the Australasian Triage Scale.
4. The 2015-16 Estimated Actual figures are based on 10 months of actual performance from 1 July 2015 to 30 April 2016.
5. Staphylococcus aureus are bacteria commonly found on around 30 percent of people's skin and noses and often cause no adverse effects. Infections with this organism can be serious, particularly so when they infect the bloodstream. The data reported for this service standard are for bloodstream infections with Staphylococcus aureus (including MRSA) and are reported as a rate of infection per 10,000 patient days. The Target/Estimate for this measure aligns with the national benchmark of two cases per 10,000 acute public hospital patient days. The 2015-16 Estimated Actual figures are based on eight months of actual performance from 1 July 2015 to 29 February 2016.
6. The 2015-16 Estimated Actual figures are based on an average of 10 months actual performance from 1 July 2015 to 30 April. The 2015-16 Service Delivery Statement did not include a 2015-16 Target/Estimate as the target was under review. The review has been completed and has enabled HHS specific targets to be set for 2016-17.
7. The 2015-16 and 2016-17 Target/Estimate costs reflect the finance and activity schedules of the 2016-17 Round 2 Service Agreements Contract Offers (V3.10). The 2015-16 Target/Estimate is recalculated based on the funding provided in the Hospital and Health Service Agreements as at the March 2016 Deed of Amendment and the activity recalculated based on the Activity-Based Funding (ABF) model Q19 Round 2 2016-17 Contract Offers to enable comparison with 2016-17 Target/Estimate figures. An adjustment for the full year reconciliation of ABF cost by the Hospital and Health Services has been reflected in the 2016-17 figures.
8. The weighted activity units reflect the finance and activity schedules of the 2016-17 round 2 Service Agreements contract Offers (v3.10). The 2015-16 Target/Estimate and the 2015-16 Estimated Actual figures have been recalculated as per the finance and activity schedules of the 2016-17 round 2 Service Agreements Contract Offers (v3.10) to enable comparison.
9. The North West HHS is progressing a strategic initiative to increase focus on outcomes, as opposed to the achievement of outputs as measured by QWAU. The region of North West Queensland has high instance of burden of disease associated with chronic illness, and other social determinants of health. This change management has progressed with the establishment of the Western Queensland Primary Health Network in 2015-16, and the increased engagement with all service providers in North West Queensland will result in an improvement in effectiveness, demonstrated by improvements in outcome indicators for health.

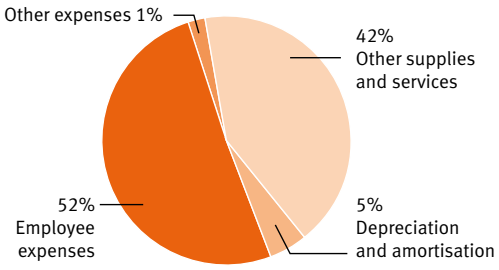
FINANCIAL PERFORMANCE SUMMARY 2015–2016

Total revenue received by the North West Hospital and Health Service for 2015–2016 increased by $10.457 million to $159.068 million. Final total expenditure for 2015–2016 was $161.206 million, resulting in an operational loss of $2.138 million – equivalent to 1.3 percent of our total revenue, compared to a loss of $1.948 million for the previous financial year.

The 2015–2016 financial year has been challenging with cost growth in a number of areas, including Consultancies and outsourced labour, which increased by $4.8 million, largely due to medical locum services, and Employee Expenses up $6.8 million (8.9 percent), partly reflected by an increase of 18 Full Time Equivalent staff. These cost pressures were combined with a total revenue claw back due to activity target shortfalls totaling $3.0 million resulting in a deficit of $2.138 million.

The Queensland Audit Office has subsequently delivered, for the fourth successive year, an unqualified audit of our financial statement for financial year 2015–2016.

Proportion of total expenditure 2015–2016

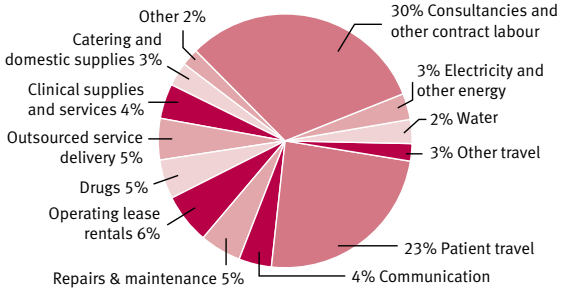


The activity based funding (ABF) activity achievement has remained consistent between 2014–2015 and 2015–2016, with a 1.8 percent increase year on year. This small increase in activity has reduced the ABF shortfall from 1430 Queensland weighted activity units (QWAU) in 2014–2015 to a shortfall of 950 QWAU in 2015–2016.

Selected activity targets for the Mount Isa Hospital, originally established in 2012, have proven to be too ambitious. This was subsequently recognised by the Department of Health which elected not to seek full return of revenue allocated for 2015–2016. However, the shortfall in the activity based funding of approximately 1100 QWAU (8.9 percent of target) resulted in an actual revenue return of $1.3 million for 2015–2016.

A further $1.7 million returned to the Department with respect to 2014–2015 activity also contributed additional pressures to the 2015–2016 financial year.

Breakdown of 2015–16 'Other Supplies and Services'

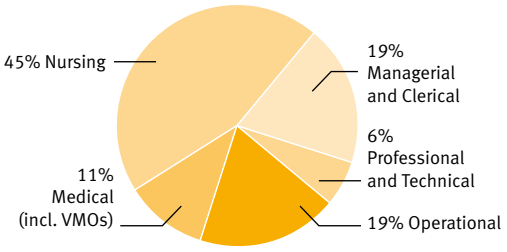


Cost pressures upon the service continue to be those associated with the provision of a health service in a large remote region, with issues of specialist recruitment, short term medical specialist placements and contracted nursing services.

Staffing and related costs, including contract employees, account for 51.4 percent of total expenditure, with clinical positions comprising 56 percent of the employed staff. While specialist/locum costs are, at times unavoidable requirements, this is something the Hospital and Health Service is continuing to address by seeking to recruit further permanent staff into vacant positions, thereby decreasing reliance on locums.

Reflective of the total catchment area, and wide spread of residents across the North West region, patient travel is by far the largest component of non-salary expenditure. This has however remained relatively stable, totaling 23 percent of non-salary costs.

Proportions of paid Full Time Equivalents (FTE) (both internal and contract)



Expenditure is further itemised in the Financial Statements provided from page 65 of this Annual Report.

Open data

Additional annual report disclosures – relating to expenditure on consultancy, overseas travel and implementation of the Queensland Language Services Policy are published on the Queensland government's open data website, available via: www.data.qld.gov.au

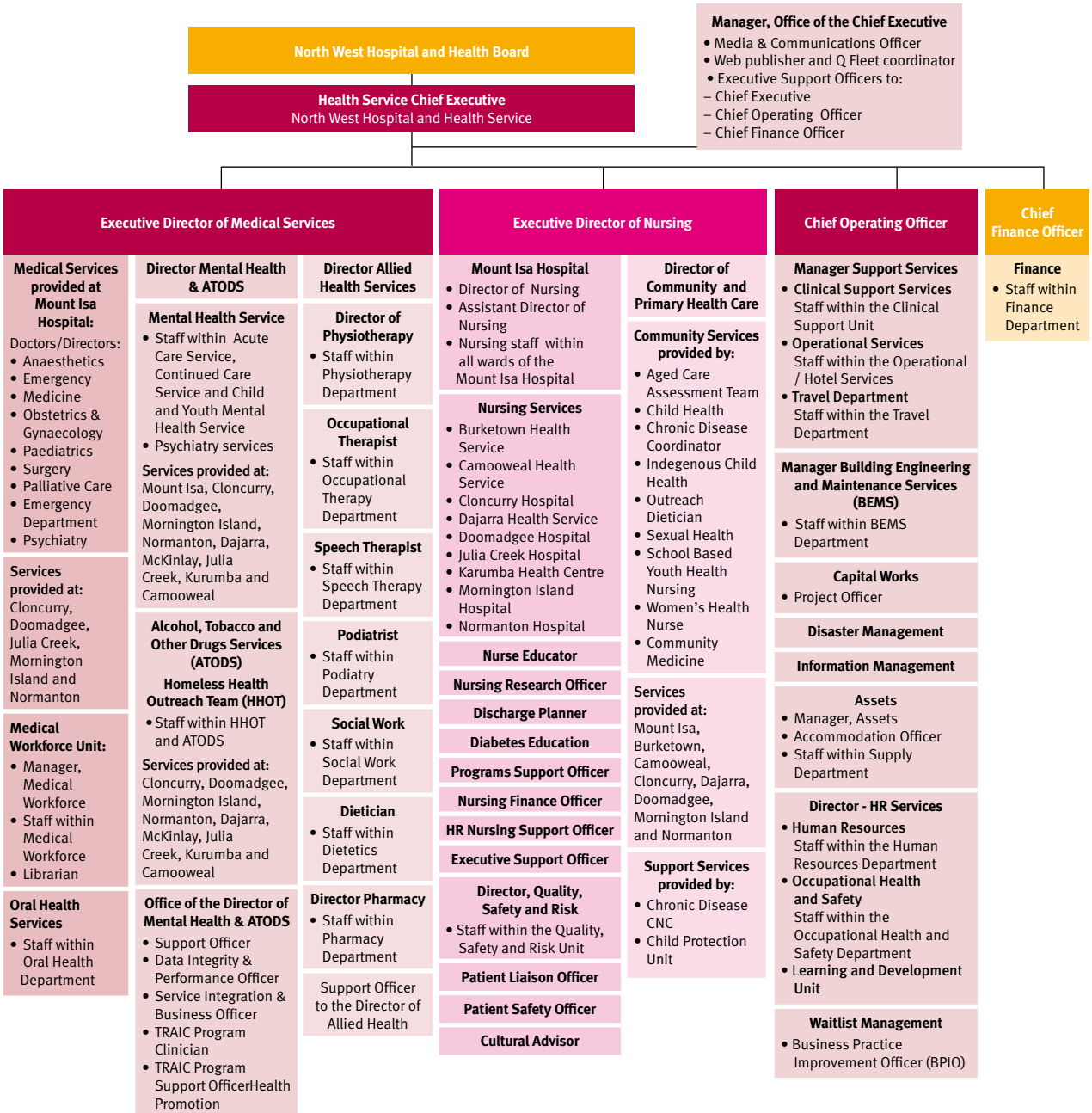
GOVERNANCE: MANAGEMENT AND STRUCTURE

In accordance with the *Hospital and Health Boards Act 2011*, the North West Hospital and Health Board is accountable to the local community and the Minister for Health and Minister for Ambulance Services for the services provided by the North West Hospital and Health Service.

A Health Service Chief Executive is employed by and is solely accountable to the Board for ensuring patient safety through the effective executive leadership and day to day operational management of all local hospital and health services, as well as any applicable support functions.

Central to achieving and moving beyond sustainable high quality health care is efficient and effective governance. The Hospital and Health Board was very involved in the North West Hospital and Health Service's *Strategic Plan 2016–2020*, both at the grassroots consultation level and in the structure and publication of the plan.

Our organisation structure as at 30 June 2016 is as follows:



Our Board

Under the *Hospital and Health Boards Act 2011*, the Hospital and Health Board must consist of five or more members appointed by the Governor in Council for a term of up to four years.

Collectively, the Board serves to strengthen local decision-making and accountability by promoting local consumer, community and clinician engagement and setting the local health system planning and coordination agenda, including financial management and oversight.

The North West Hospital and Health Board met on 12 occasions during the reporting period.

As at June 30 2016, membership comprised:

Paul Woodhouse
Chair

A primary producer, Paul has been involved with a number of local and regional bodies across North and North West Queensland, over several years.After more than 12 years in Local Government, including eight years as Mayor of McKinlay Shire, Paul is presently serving as Chairman of Regional Development Australia for the Townsville and North West region.

He is also currently a Member of the Northern Australia Health Roundtable, as well as a Member of CSIRO's Land & Water Flagship Advisory Council.

Originally appointed as inaugural Chair on 18 May 2012, Paul's current term of appointment commenced on 18 May 2016 until 17 May 2019.

Annie Clarke
Deputy Chair (Chair Engagement Committee)

Annie has lived in the Gulf Country as a primary producer in northwest Queensland for more than 40 years. Annie has 19 years' experience in local government, including 15 years as Mayor of Burke Shire.

Annie has hands on experience in small business and economic development, roads and transport infrastructure, tourism and sports development, education and training, health and social issues, and disaster management. Annie is also currently a member of the North and West Remote Health Board.

Originally appointed on 9 November 2012, Annie's current term of appointment commenced on 18 May 2016 until 17 May 2019.

Dr Christopher Appleby
Board member (Chair Business Development Committee)

Chris is co-owner of Flinders Medical Group Pty Ltd in Cloncurry. The centre acts as the general practice primary healthcare facility in collaboration with the local council and hospital.

The practice employs seven general practitioners and has been an accredited General Practitioner training facility since 2006. The practice is affiliated with James Cook University and accommodates medical students and nursing students in collaboration with the Mount Isa Centre for Rural and Remote Health.

Chris has a Bachelor of Science (Honours) and a Doctor of Philosophy. He is an Adjunct Senior Lecturer at James Cook University and Graduate of the Australian Institute of Company Directors. Chris is a Practice Support Advisor, General Medical Training at James Cook University.

Chris is currently completing a Masters of Business Administration part time through the University of Newcastle.

Originally appointed on 9 November 2012, Chris' current term of appointment commenced on 18 May 2014 until 17 May 2017.

Rowena McNally
Board member (Chair Quality, Safety and Risk Committee)

Rowena is an experienced company director and corporate lawyer specialising in health, infrastructure, and corporate governance. She has been a director and held positions as Chair of the Quality and Risk Committees for Mount Olivet Hospital, St Vincent's Hospital, and Holy Spirit Hospital.

Rowena is currently Chair of the National Employment Services Association, and the former Chair of Catholic Health Australia. She is an Immediate Past President of the Resolution Institute and a Member of the International Committee of Catholic Health care Institutions (Vatican).

Previous board appointments include Chair of the Mount Isa Water Board, Chair of the Queensland Cerebral Palsy League of Queensland, Deputy Chair of Cerebral Palsy Australia, St Vincent's and Holy Spirit Health Limited, Mount Olivet Hospital, Holy Spirit Hospital (Chermside), and St Vincent's Hospital (Toowoomba).

Originally appointed on 29 June 2012, Rowena's current term of appointment commenced on 18 May 2016 until 17 May 2019.

Richard Stevens OAM
Board member (Chair Finance, Audit and Risk Management Committee)

Richard has more than 30 years' experience in public sector administration across all tiers of government. Richard has expertise in corporate governance, natural resource management and economics.

Richard is currently Deputy Chair of the Australian Fisheries Management Authority, an organisation responsible for the efficient and sustainable management of Commonwealth fish resources on behalf of the Australian community. Richard also chairs the New South Wales Ministerial Fishing Advisory Council, along with a number of natural resource management planning advisory groups around the country.

Previous board appointments include Chair of the South Australian Country Fire Service Board, member of the New South Wales Natural Resources Advisory Council, Board member of the Queensland Rural Adjustment Authority, non-executive Director of the Fisheries Research and Development Corporation, and Chair of the Australian Fisheries Management Authority's Finance and Audit Committee.

Originally appointed on 29 June 2012, Richard's current term of appointment commenced on 18 May 2016 until 17 May 2019.

Karen (Kari) Arbouin
Board member

Kari is an Associate Vice Chancellor for Central Queensland University. Previously she worked for 11 years in senior management positions at James Cook University, including acting in the role of Chief Executive Officer for James Cook University's Singapore campus. Kari was also involved in major business development projects for James Cook University, including planning of the successful funding bid for the Cairns Research Institute.

Kari is a registered nurse and practising midwife. Whilst in the role of Director of Nursing at Julia Creek she led the hospital to becoming the first Australian Council on Healthcare Standards accredited hospital in north-west Queensland. She has also held the position of Director of Nursing at The Wesley Hospital in Townsville. Kari was awarded Julia Creek Hospital, Australia Day and Queensland Health awards for her service to the hospital and community.

Kari was a founding Board member for the James Cook University's health practice, and Board Chair of the University's child care facilities. She holds academic qualifications in health, business, law and public health. Kari is an international reviewer for universities in the United Kingdom and United Arab Emirates. She is also a Fellow of the Australian Institute of Management and Graduate of the Australian Institute of Company Directors.

She is a committee member on Regional Development Australia (RDA), Townsville.

Originally appointed on 18 May 2013, Kari's current term of appointment commenced on 18 May 2014 until 17 May 2017.

Dr Don Bowley OAM
Board Member

Don is the Senior Medical Officer at the Mt Isa Base of the Royal Flying Doctor Service (Queensland Section). He has 22 years of experience with the Royal Flying Doctor Service and has been based at Mount Isa for the last 19 years.

Don has a passion for improving the quality of health care available for the people who live in remote Australia and has a special interest in addressing the inequity in remote and indigenous health outcomes. He holds Fellowships with the Royal Australian College of General Practice and the Australian College of Rural and Remote Medicine.

Don enjoys supervising medical students and registrars and is an Emergency Management of Severe Trauma instructor. He is an Adjunct Associate Professor with the Mount Isa Centre for Rural and Remote Health, James Cook University. Don was a member of the Mount Isa District Health Community Council from 1999 to 2011.

Don has been recognised for his community and professional contributions with a number awards including: Medal of the Order of Australia 2012, Australian of the Year Queensland Local Hero 2011, Distinguished Service Award Australian College of Rural and Remote Medicine 2009, Order of the Outback Burke Shire Council 2008, and Special Achievement Awards from the Mt Isa City Council in 2005 and 2011.

Originally appointed on 29 June 2012, Don's current term of appointment commenced on 20 June 2014 until 17 May 2017.

Dr Kathryn Panaretto
Board Member

Kathryn, a general practitioner at QUT Medical Centre in Brisbane, has a background in primary health care, having worked as a general practitioner at Mount Isa's Gidgee Healing and with the Remote Women's Health clinics at Julia Creek and Cloncurry. She has spent the last 15 years working in Aboriginal Health in Queensland. She also is a Public Health Physician with the Darling Downs Public Health Unit in Toowoomba, Locum Public Health Physician at Darling Downs Public Health Unit and West Moreton Public Health Unit, Adjunct Professor at James Cook University and the University of Queensland, and committee member of the Australian Commission on Safety and Quality in Health Care.

Appointed on 18 May 2016, Kathryn is currently appointed until 17 May 2017.

Dallas Leon
Board Member

Dallas, a Kalkadoon and Waanyi man, was born in Mount Isa and returned to the city a few years ago. He has worked in the Indigenous health arena for 19 years, initially as an Aboriginal health worker, and then specialized in population health before moving into management. He is the Director of the Queensland Aboriginal and Islander Health Council, Chair of the Western Queensland Primary Health Network Clinical Chapter (North West), Chief Executive Officer of Gidgee Healing and a member of the Western Queensland Primary Health Network Clinical Council.

Appointed on 18 May 2016, Dallas is currently appointed until 17 May 2017.

Our Board Committees

The *Hospital and Health Boards Act 2011*, and supporting *Hospital and Health Regulation 2012*, require Hospital and Health Boards to establish a range of prescribed committees relating to audit, safety and quality, finance, and the executive management of the service.

These committees do not replace or replicate executive management responsibilities and delegations, or the reporting lines and responsibilities of either internal audit or external audit functions.

Finance, Audit and Risk Management Committee

The Finance, Audit and Risk Management Committee comprises the two prescribed committees relating to finance and audit.

The role of this combined committee is to provide independent assurance and assistance to the North West Hospital and Health Board on a range of matters regarding:

- Financial management of the North West Hospital and Health Service in accordance with its statutory and administrative obligations, including risk, control and compliance frameworks and other internal and external accountabilities.
- Identification and implementation of efficiencies and innovation in the areas of finance, audit and risk management.
- Other relevant matters, as determined by the Board.

The Committee met on four occasions during the reporting period.

Key activities and achievements for 2015–2016:

- Monitored financial risks identified by the committee.
- Development of a Chief Financial Officer reporting template to assist Committee Members and the board in monitoring activity and financial performance
- Completion of internal audits to improve budgeting processes, revenue management, contract management and financial reporting processes.

Looking ahead for 2016–2017, the Committee will:

- Continue monitoring expenditure against service agreement components, including the introduction of high level measures indicating achievement of targets, and review current processes for other revenue collection to ensure efficiency.
- Ongoing review of supporting Information, Communication and Technology systems to ensure efficiency and effectiveness of financial and other reporting and decision making.
- Introduce enhanced strategic asset management processes by finalising the Strategic Asset Plan and Capital Investment Plan.

Quality, Safety and Risk Committee

The Quality, Safety and Risk Committee ensures the provision of effective governance frameworks across the North West Hospital and Health Service and promotes delivery of safe and quality clinical patient services.

The Committee also provides assurance and assistance to the North West Hospital and Health Board on a range of matters regarding:

- The identification and mitigation of risks for people receiving clinical care, occupational health and safety risks for employees and others
- Ensuring, in conjunction with the Board's Finance, Audit and Risk Management Committee, that accurate and complete performance data is reported to the Board, external agencies and Government departments as required by the Board's Service Agreement with the Queensland Government and as otherwise required by legislation, funding instruments or benchmarking commitments
- Analysis and critique of the operational performance of our facilities with respect to quality, risk and safety indicators
- Other relevant matters, as determined by the Board, in order to ensure a safe and efficient environment that continually fosters improvements to the wellbeing of the people who access our services, and our staff
- Monitoring and making recommendations about factors and strategies affecting the health of residents within the North West, including our Indigenous, rural and remote communities.

The Committee met on seven occasions during the reporting period.

Key activities and achievements for 2015–2016:

- Accreditation of the North West Hospital and Health Service by the Australian Council on Healthcare Standards for the next four year cycle, until the end of 2019
- Improved reporting with more indepth information, leading to closer monitoring of quality, safety and risk parameters and better identification of opportunities for improvement
- Nurse-led indicators introduced into reporting
- North West Hospital and Health Service Clinical and Operational Governance framework reviewed.

Looking ahead for 2016–2017, the Committee will:

- Continue to monitor and make recommendations to the Board about matters pertaining to quality, safety and risk, consistent with the Committee's Terms of Reference
- Finalise a local Continuous Improvement Protocol for consideration by the Board
- Provide ongoing monitoring of all quality, safety and risk performance, including consideration of bi-annual quality improvement activity reports
- Further develop governance processes for local research related activities and clinical education initiatives in relation to strategic direction and priorities
- Provide an increased focus on identification and monitoring of health indicators for the population of North West Queensland.

Business Development Committee

The Business Development Committee undertakes, from a business perspective, a transparent and comprehensive assessment of the ongoing performance of our service divisions, in order to identify where a current activity may be altered to improve efficiency or service delivery. The aim of such assessment is to optimise patient outcomes and improve financial sustainability.

The Committee met on six occasions during the reporting period and has worked closely with the North West Hospital and Health Service's Clinical Operational Leadership Team (COLT) in order to scope and evaluate all areas of current activity within the service.

Key activities and achievements for 2015–2016:

- The Committee resolved to recommend to the Board for endorsement the following five projects:
  1. Patient Discharge Lounge
  2. The Locum Review
  3. The Grant Review
  4. Palliative Care Services projects for review and Business Case Development.
  5. Endorsed workplan 2016–2018

Looking ahead for 2016–2017, the Committee will:

- Provide strategic project governance
- Continue to oversight innovative opportunities consistent with the strategic direction of the North West Hospital and Health Service, and monitor those through the Innovation Program, including projects 1 – 4, endorsed by the North West Hospital and Health Board in the last financial year.

Engagement Committee

The Engagement Committee promotes effective relationships and communication with our consumers, communities and workforce across the North West by providing independent assurance and assistance to the North West Hospital and Health Board on a range of matters regarding:

- Continuation of effective relationships and partnerships with key internal and external stakeholders to facilitate and promote the goals and objectives of the North West Hospital and Health Service
- Ensuring clear communication with North West communities

- Development of the North West Hospital and Health Service Strategic Plan, organisation wide Engagement Strategy and any other strategic documents
- Other relevant matters, as determined by the Board, in order to support local decision making and to drive innovation and flexibility to pursue local efficiencies
- The Committee met on four occasions during the reporting period.

Key activities and achievements for 2015–2016:

- Refreshed and revised the Engagement Strategy for the North West Hospital and Health Service, entitled: *In Touch with the Outback: Connecting with our consumers, communities and workforce 2016 –2019*
- A number of successful Board visits and local community engagement activity undertaken throughout the year
- Development of effective channels for consumer and community engagement including delivery of the second Mount Isa Health Expo in July 2015 – attended by over 1000 visitors over two days, double that of the previous year's event
- Assisted in the consultation and roll out of the 2016–2020 Strategic Plan, including arranging community engagement meetings in outlying communities
- Developed formal consumer representation and advisory assistance across the service.

Looking ahead for 2016–2017, the Committee will:

- Finalise, publish and distribute the North West Hospital and Health Service Engagement Strategy
- Support effective community engagement with the Western Queensland Primary Health Network, aligning with the Queensland Government's 10 year strategy: *My health, Queensland's future: Advancing Health 2026*
- Monitor and evaluate effective engagement with the Workforce Leaders' Group.
- Enhance valued advice from health service partners, Indigenous members within our communities, with the assistance of a dedicated North West Hospital and Health Service Cultural Advisor, and local government and community organisations.
- Build on the successes of the 2014 and 2015 Mount Isa Health Expos, to deliver a third event in July 2017, making it a biennial health event.

Continue to seek further opportunities such as small regional health events to ensure and promote effective two way engagement with our local communities and staff across the North West region.

Board Remuneration

In accordance with the Hospital and Health Boards Act 2011, board members are remunerated for their participation in fees and allowances payable to the chair, deputy chair and members of Hospital and Health Boards in accordance with the *Remuneration Procedures for Part-time Chairs and Members of Queensland Government Bodies*.

Out of pocket expenses for the board members for the reporting period totalled $ 1,118.82.

Further details regarding remuneration are provided on page 23 and 24 of the financial statements.

Our Executive Management Group

The Health Service Chief Executive is responsible for the day to day operations of the North West Hospital and Health Service and oversees the Executive Management Group which delivers services against the strategic framework set by the Board.

The Office of the Health Service Chief Executive provides central support, including media and communications advice to the Executive Management Group and the Hospital and Health Board.

The Clinical Operational Leadership Team provides expert clinical, cultural and operational advice to the Executive Management Group and the Hospital and Health Board, when requested.

This fosters a culture of collaboration and cooperation between clinical business units, disciplines, divisions, and committees and ensures consistency of practice and progression of organisation objectives where appropriate.

Representing a range of disciplines, business areas and facilities, the Clinical Operation Leadership Team members also serve as local conduits between local staff and the Business Development Committee.

The Executive Management Group met fortnightly, on 27 occasions during the reporting period.

As at June 30 2016, membership comprised:

Lisa Davies Jones
Health Service Chief Executive

Lisa has had a broad ranging healthcare career within nursing, service improvement, healthcare management and clinical governance. Lisa has worked in a number of senior leadership roles within healthcare organisations in the United Kingdom and more recently in Queensland.

In her previous role as Executive Director Clinical Governance, Townsville Hospital and Health Service, Lisa worked closely with executive colleagues and clinicians to lead the development and implementation of a strengthened clinical governance framework to support clinical teams in their delivery of safe, high quality health care.

Lisa is passionate about creating an environment where staff at all levels of the organisation can flourish in their work and are able to generate new learning and continuous improvements in health care.

Lisa has qualifications in registered and specialist nursing and post graduate management and leadership. Lisa is a graduate of the Australian Institute of Company Directors.

Michelle Garner
Executive Director of Nursing and Midwifery

Michelle has held the position of Executive Director of Nursing and Midwifery since 2008.

Michelle is an endorsed nurse practitioner, and has a special interest in advanced pathways for the nursing and midwifery professions. While in this role, Michelle has prioritised support and development of nurse practitioner roles in rural, remote and specialised areas of practice.

Michelle represents rural and remote nurses on state-wide committees and at strategic level forums. She is a member of the Department of Health's Rural and Remote Clinical Network, and is a member of joint Department of Health and Queensland Nurses' Union enterprise bargaining committees and working groups.

Michelle is also a member of the Queensland Nurses and Midwifery Executive Council, the Department of Health's Executive Directors of Nursing and Midwifery Advisory Council, Nursing and Midwifery Implementation Group and the Queensland Clinical Senate.

Michelle holds a Bachelor of Nursing, Graduate Diploma in Advanced Critical Care Nursing, and a Masters Nurse Practitioner, and is an Adjunct Associate Professor with James Cook University. She is a Board Member of the Good Shepherd Catholic College in Mount Isa, and a Board Member of the Queensland Board of the Nursing and Midwifery Board of Australia.

Associate Professor Alan Sandford
Executive Director of Medical Services

Associate Professor Sandford, a Specialist Medical Administrator, is an experienced health executive and clinical consultant with over 26 years of executive health management experience. He commenced in the role of Executive Director of Medical Services in early 2014. Professor Sandford has held executive level management positions in a variety of health settings both in Australia and internationally.

Working with groups of senior clinicians to optimise engagement is a priority for Professor Sandford. In his work as a consultant he has focused on reformation of health workforce and medical administrative functionality within organisations. He was previously the head of Health Workforce for Victoria with the Department of Human Services. He also chaired a number of Commonwealth committees in the area of medical workforce.

Professor Sandford has over 17 years' experience as an Australian Council on Healthcare Standards (ACHS) surveyor. As an ACHS coordinating surveyor he contributed to the development of the current accreditation program used by the ACHS in both the public and private health sectors across Australia.

Professor Sandford is a Fellow of the Royal Australian College of Medical Administrators, and is currently the Censor in Chief. He holds postgraduate qualifications in health management. He is an Adjunct Associate Professor with the University of Queensland's Rural Clinical School and Clinical Associate Professor with the University of Tasmania. Professor Sandford is also Adjunct Associate Professor with James Cook University.

Barbara Davis
Chief Operating Officer

Barb was appointed to the position of Director of Business Support in 2004 which subsequently became Executive Director of Corporate Services in 2007. In late 2014, the position was subsequently upgraded to Chief Operating Officer and Barb was successful in applying for this new position. She has more than 37 years' experience in nursing and administrative roles in a wide range of locations throughout Australia.

Barb represents the North West Hospital and Health Service on State-wide committees which include Chief Operating Officer Forum, Chief Information Officer Forum, and various State-wide specific project groups.

Barb is responsible for the dedicated team of staff who manage most non-clinical areas within North West Hospital and Health Service with particular emphasis on operational, human resources, administration, infrastructure, both maintenance and asset management and ICT. Team members are client focussed and provide high quality services that support health care delivery. Barb is a former registered nurse, neonatal intensive care nurse, and midwife. She holds a Bachelor of Health Science and a Masters of Health Management.

Brett Oates
Chief Finance Officer

Brett has been the CFO for the North West HHS since February 2013 and has overseen the development of financial and reporting systems in the formative years of the HHS. In May 2015, Brett undertook the role as Interim Chief Executive of the Western Queensland Primary Health Network for a period of 6 months to assist in the integration of primary and hospital care in Western Queensland.

Brett has a wide breadth of fee and cost development in Australia, Germany, UK, Ireland, Qatar, Slovenia and Singapore. His international experience focuses on development of cost and revenue models across a broad spectrum of hospitals, insurers and governments.

In Australia, his role as Co-Director for Hospital Costing for the Interim Independent Hospital Pricing Authority (2012) has seen him develop efficient price lists through the analysis of the national data repository of hospital cost and activity information.

QUALITY, SAFETY AND RISK MANAGEMENT

The Quality, Safety and Risk Management Team

The North West Hospital and Health Service is committed to providing accessible, responsive, quality health services to the communities we serve. Our Strategic Plan outlines this commitment to develop efficient, innovative models of care which reflect current evidence based practice to provide better health outcomes for the community.

The Quality, Safety and Risk Unit provide clinical and administrative resources for the North West Hospital and Health Service, to enable all staff to enact these commitments.

Accreditation

The North West Hospital and Health Service is committed to maintaining nationally recognised accreditation under the Australian Health Service Safety and Quality Accreditation Scheme. The service is evaluated on a continuous basis against ten clinical National Safety and Quality Health Service Standards and five EQuIP National Standards developed by the Australian Council on Healthcare Standards. Mental health services are assessed against both the national standards and the additional National Standards for Mental Health Services.

The North West Hospital and Health Service is currently fully accredited for the period 2016–2020.

Safety and Quality Plan

The Quality, Safety and Risk Unit is developing a new Safety and Quality Plan and Framework, based on the strategic plan and vision of the organisation. This plan will ensure that the communities we serve are provided with evidence based, safe services and staff are supported to identify and act on areas of improvement. The plan will also support the North West Hospital and Health Service to continue to achieve full accreditation.

Risk management

Risk is managed through the Queensland Health electronic risk management system. Queensland Health will migrate this system into an integrated incident management and risk system at the end of 2016.

Risk is monitored by the Quality and Safety Unit, who will liaise with risk owners to ensure appropriate mitigation strategies are in place.

Risk is a standing agenda item at clinical governance meetings and all Board and committee meetings.

Schedule of audit

A central audit schedule is in place to ensure the care we provide is of a high quality. The audits are based on the National Standard requirements and results are collated by the audit and compliance officer. Monthly reports are sent to each unit manager outlining their performance against each standard.

Patient experience

The North West Hospital and Health Service is committed to ensuring that our patients have the best possible experience while using our services.

Collation of patient experience surveys is a measure by which we can gauge their satisfaction in our services.

During the reporting period we received 153 complaints, equating to 0.108 percent of total health services delivered and identifying issues such as communication, access, treatment and facility management. All complaints are managed by the Patient Liaison Officer, with investigations completed by the relevant managers.

A total of 166 compliments were received for the whole of North West Hospital and Health Service, which is a considerable increase from 63 received in the previous financial year. All compliments are acknowledged and registered by the patient liaison officer, and staff involved are notified.

Patient safety

Clinical Incident management is an essential component of a quality patient care system. A clinical incident is any event or circumstance which has actually, or could potentially, lead to unintended and/or unnecessary mental or physical harm to a patient. Staff are encouraged to report such incidents via the PRIME Clinical Incident database, including submitting suggestions as to how a similar issue might be avoided in the future.

During the reporting period, the total number of incidents for the financial year 2015–2016 was 916, which is an increase in last year's figure of 810, but this is a positive indication that our encouragement to report incidents and near misses is working.

Each clinical incident is tabled and discussed at a Weekly Incident Panel. The panel also monitor trends and make recommendations to support line managers in the investigation of incidents.

Ryan's Rule

Ryan's Rule is a Queensland wide initiative which provides a three-step process that can be used by patients, families and carers to escalate their concerns when they feel the patient's condition is worsening or not improving. During the reporting period, three Ryan's rule calls were logged for the North West Hospital and Health Service.

All calls are followed up by the Patient Safety Officer, and in all cases, the patient and family were satisfied with the outcome of the call, and felt that their concerns had been addressed.

Interpreter services

Interpreter Services are available for any of our patients who have difficulty understanding English.

Interpretation services, centrally provided by Queensland Health on a twenty four hours per day, seven day per week basis, also provide translation of any documents, follow up letters, treatment plans or other assistance that would enhance the treatment of the patient.

During the reporting period, 14 sessions of interpreter services were provided to 13 clients, with a range of languages including Thai, Mandarin, Indonesian, Cantonese and Auslan (sign language).

Infection prevention and control services

A Clinical Nurse Consultant manages the North West Hospital and Health Service infection prevention and control program. Key activities include supporting strategies for prevention of healthcare associated infections, monitoring and reporting healthcare associated infections, coordination of workforce immunisation programs, and monitoring other key infection prevention strategies, such as hand hygiene compliance.

The Clinical Nurse Consultant conducts comprehensive surveillance for infections occurring as a result of any aspect of the provision of healthcare whether through surgery or interventions such as medical devices. Identified infections are assessed against a standardised set of criteria and where necessary, possible improvements in practice or process are identified. During the reporting period, there were no wound infections reported after surgery prior to discharge from hospital. There were two Staphylococcus aureus infections and both were thoroughly investigated and opportunities for improvement identified. A significant improvement is to develop a formal set of guidelines for the management of certain significant medical devices that are placed within the patient's larger veins. This large body of work will be completed by the end of 2016 and will provide all clinicians with best practice guidance for inserting and caring for these devices.

Hand hygiene is the single most important strategy for reducing the transmission of infection in any setting – even at home. A significant part of the Infection Prevention and Control program is monitoring compliance with the practices recommended by the National Hand Hygiene Initiative. During the reporting period, observed hand hygiene compliance has consistently improved. An additional five hand hygiene compliance auditors have been trained and a review of product placement across all of the facilities resulted in the installation of additional dispensers as well as the introduction of a new type of waterless hand rub.

Information systems and record keeping

All North West Hospital and Health Service employees have specific responsibilities regarding security, confidentiality and the management of records and other information accessible to them during the course of their work. Staff understand their responsibilities in accordance with the *Information Privacy Act 2009*.

Our skilled staff are responsible for the management of central information systems and record keeping. Medical Records is responsible for the lifecycle management of clinical records, including audit. Staff are informed of audit results and involved in continuous improvement activities.

Administration officers with responsibility for medical records complete mandatory training, and ongoing competency assessments continue to be undertaken to ensure all staff comply with record keeping requirements. Individual service areas manage non-clinical records. To assist in maintaining a high level of service, written and electronic support resources are also available to staff at all times.

Medical records are currently tracked with the Hospital Based Corporate Information System (HBCIS) database. Clinical records are retained and disposed of in accordance with the Health Sector (Clinical Records) Retention and Disposal Schedule (QDAN 683) and public records in accordance with the *Public Records Act 2002*.

BELLY CASTING PROJECT BRINGS FAMILIES TOGETHER

For a year and a half now, Indigenous expectant mothers in the North West have been attending regular antenatal classes with a difference, taking home their own belly cast as part of a new initiative.

North West Hospital and Health Indigenous Health Worker, Kirsten Gallagher has been working with antenatal classes for the last 18 months and has helped create about 10 belly casts in the last year.

The belly casting initiative has become a potent means of creating family togetherness, with families decorating the casts, and with efforts made to help the prospective fathers become involved.

The North West Hospital and Health Service's Community Primary Health Care Service runs the flexible weekly antenatal classes at the Brilla Brilla Centre in Mount Isa's Aboriginal reserve, Yallambee.

The "Sister to Sister" classes at Brilla Brilla are in addition to the traditional hospital-based antenatal classes, and have been developed to provide an enhanced focus on Indigenous families, with belly casting, cooking classes and budgeting advice all on offer.

The program has been specifically tailored to allow local North West Hospital and Health Service Indigenous health staff to take a more leading role during the flexible weekly classes. The classes have a less formal approach in the family friendly and culturally appropriate surrounds of the Brilla Brilla centre.

Indigenous health worker Kirsten Gallagher layers the wet plaster infused cloths on the belly of her pregnant sister, Latisha, to make a belly cast, a memento of the pregnancy

Indigenous health workers Latisha and Kirsten Gallagher, with belly castings

HUMAN RESOURCES

Our people

In the last twelve months, the North West Hospital and Health Service has continued to focus on growing our capacity and capability to manage our people and our business.

Significantly, the North West Hospital and Health Service currently remains the only rural and regional service, and one of eight out of sixteen HHSs across Queensland to achieve status of prescribed employer - legally responsible for the management of our staff.

Due to the size of the service area and the dispersed locations of facilities and communities we serve, recruitment and retention of adequately trained staff remains a continuing challenge. However, we are proud of the commitment and dedication of our staff, working in partnership with other providers, in overcoming significant daily challenges relating to distance, accessibility and other logistical obstacles.

The scope of practice for all our health professionals continues to be established in accordance with the Department of Health's credentialing and defining the scope of clinical practice policy. Our policies relating to the scope of practice and credentialing also remain consistent with relevant registration standards set by the respective National Boards of the Australian Health Practitioner Regulation Agency.

The North West Hospital and Health Service was praised by the Accreditation team for its focus on workforce development through education and training and a strengthened medical presence at many of the remote sites.

The North West Hospital and Health Service received State Government funding for eight new Nurse Navigators to streamline care for patients, easing the patient's journey through the health system and ensuring they are supported and receiving the best possible care in a timely manner. The Nurse Navigator positions will be filled by experienced nurses over the next three years.

The arrival in January 2016 of the first full-year intake of five in-house interns made history for the North West Hospital and Health Service, marking Mount Isa Hospital's elevation to the ranks of a fully accredited medical training facility. As a teaching hospital in its own right, Mount Isa is now able to host its own dedicated interns for the full-year period of their internship. A fully accredited intern teaching hospital must be able to provide three compulsory placements in Medicine, Surgery and Accident and Emergency, as well as two elective placements in an area of the intern's choice. Previously Mount Isa Hospital was unable to provide all three compulsory placements, along with a suitable range of elective options. All five in-house interns are pursuing Queensland Health's popular Rural Generalist Pathway training program.

In addition, Mount Isa Hospital is hosting two rotational interns from other hospitals during each of the five terms, making a total of 15 interns for the year.

North West Hospital and Health Service has implemented iLearn, an online learning management system for learning facilitation and learning administration. Future phases of this project will include migrating historical training information and incorporating clinical training requirements. This project will allow the organisation to better identify and support the training needs and obligations of employees, as well as facilitating improved access to training delivery modes that support operational requirements.

Targeted line manager training initiatives have been implemented with a focus on improving our capability in recruitment and selection, attendance management, employment screening, supporting the growth of our employees through performance and development plans and supporting managers in aspects of safety and wellbeing.

myHR was rolled out through the North West Hospital and Health Service this year and provides line managers with real-time access to establishment and employee information to more effectively manage their workforce and make informed decisions.

All employees of North West Hospital and Health service are subject to relevant state-wide enterprise bargaining agreements and awards and other standard Queensland Health employment terms and conditions. Restoring collective agreements for senior doctors and negotiations for the Health Practitioner and Dental Officers agreement featured as significant items on the 2015–2016 industrial landscape.

Workforce Profile as at 30 June 2016

Workforce Stream	MOHRI Occupied Full Time Equivalent	%
Managerial and Clerical	140.55	20.9%
Medical including VMOs	52.88	7.9%
Nursing	288.57	42.9%
Operational	145.56	21.7%
Professional and Technical	44.68	6.6%
Total	**672.24***	**100%**

**MOHRI is predominantly based on employed workforce and is a snapshot of the previous fortnight. Excludes external staff and overtime.*

Additional Workforce Profile Information:

- 37 percent of staff have less than 2 years tenure, 21 percent 2–4 years tenure and 20 percent 11 years and over
- Staff turnover is 1.7 percent over the financial year
- 23 percent of staff are aged 20–29 years with the majority (25.2 percent) aged 50–59 years
- Aboriginal and Torres Strait Islander workforce is 9.4 percent

Code of Conduct and Public Sector Ethics

North West Hospital and Health Service is committed to upholding the values and standards in the Code of Conduct for the Queensland Public Service. All staff are required to undertake training related to the Code of Conduct for the Queensland Public Service and Public Sector Ethics and Ethical Decision Making.

Code of Conduct requirements are included in the terms of employment in all appointment letters and training is provided in the central orientation program and via online training modules. Human Resource Officers are also available to provide in-house training where requested.

We are also strong advocates of the five public service values and their supporting behaviours published by the Queensland Government:

Our staff

As at 30 June 2016, 672 full time equivalent staff were employed by the service. Our retention rate for 2015–2016 was 81 percent of staff (Queensland Health rate 94.2 percent).

Our staff are managed across four divisions which are overseen by our respective Executive Directors of Medical Services, Nursing and Midwifery, and the Chief Finance Officer and Chief Operating Officer, all of whom are accountable to the Health Service Chief Executive.

One voluntary redundancy of $171,000 was paid by the North West Hospital and Health Service during the reporting period.

Medical Services

Health Services across the vast area of the North West of Queensland are led by an extraordinary and skilled medical staff comprising over 50 doctors, from Interns through to Senior Consultants with leadership provided by the Executive Director of Medical Services.

While the majority of medical staff are based at the Mount Isa Hospital, they also participate in regular out-reach services to ensure access to a broad array of medical services is available to our remote communities. We are also fortunate to have full-time Medical Superintendents leading staff at Mornington Island, Doomadgee, Normanton, Julia Creek and Cloncurry who provide important local medical leadership and are fully supported by specialist staff located at Mount Isa Hospital.

The medical services departments are supported by dental, allied health and other ancillary services and, together with our nursing staff, provide front line services to our patients across the North West. Services include:

- General Medical
- General Surgical
- Paediatrics
- Obstetrics and Gynaecology
- Anaesthetics and Intensive Care
- Emergency Medicine
- Mental Health and Alcohol Tobacco and Other Drug Services
- Allied Health Services
- Palliative Care
- Oncology and Cancer care
- Imaging Services, including Ultrasound and CT

These services are supplemented with other regular visiting medical services, which include:

- Ophthalmology
- Orthopaedics
- Respiratory Medicine
- Cardiology, including paediatric cardiology
- Endocrinology
- Rheumatology
- Public Health
- Sexual health
- Ear, Nose and Throat, including “Deadly Ears”
- Renal
- Oncology
- Faciomaxillary
- Neurology
- Rehabilitation medicine, including paediatric rehabilitation
- Dermatology (mostly tele-dermatology)
- Gastroenterology

Paediatrics, Surgery, Medicine and Obstetrics and Gynaecology departments hosted at the Mount Isa Hospital also provide robust outreach services to smaller hospital and primary health centres across the region, in addition to telehealth support.

The Medical Services Departments also comprise multidisciplinary teams in mental health, alcohol, tobacco and other drugs services, homeless outreach, allied health, social care and oral health services – in addition to medical services provided at each of our facilities around the North West.

As a remote location, services are also supported with the assistance of the Royal Flying Doctor Service and Medical Retrieval Services Queensland. All medical staff are credentialed by the North West Hospital and Health Service.

The Medical Workforce Unit – comprising recruitment, credentialing and induction, medical education, outreach coordination, telehealth coordination and Medical Administration - are all part of the team that operationally supports our medical service departments. The maintenance and nurturing of our valuable workforce is critical in ensuring we have a reliable, skilled and well-supported staff. The realities of living in a remote area require careful attention to both the professional and family/personal needs of our highly skilled health workforce.

Mental Health and Alcohol, Tobacco and Other Drug Services comprises Child and Youth Mental Health Service, Acute Care Service, Continuing Care Service, Alcohol, Tobacco and Other Drug Service, Homeless Health Outreach Team and Alcohol, Tobacco and Other Drug Service Youth team, which are multidisciplinary teams across all service areas. Mount Isa is a hub location with permanent Mental Health and Alcohol, Tobacco and Other Drug Services sites at Normanton, Doomadgee and Mornington Island. An outreach service with clinical and psychiatric services is also established for all other communities in the North West Hospital and Health Service. Mental Health successfully extended the mental health acute care service, so that services now run seven days a week to provide rapid response to emergency presentations and support for crisis intervention. Staff were trained in Mental Health Triage in preparation for the introduction of the 1300MHCALL 24 hour support line for the community to access health professionals for advice for mental health concerns which was successfully launched on 2 June 2016 . Mental Health also received recurrent funding for a regional adversity integrated care coordinator’s position to boost their response to drought and disaster in the North West. The service has been able to effectively utilise assertive follow-up case management thus reducing admission rates of some of the community. Mental Health and Alcohol, Tobacco and Other Drugs Services actively engages with partners and the community to increase awareness of Mental Health and Alcohol, Tobacco and Other Drugs issues in the Hospital and Health Service

The North West Hospital and Health Service’s Alcohol, Tobacco and Other Drugs Service is a walk in service with appointments available on site. The service provides coverage to Mount Isa, Cloncurry, Julia Creek, Dajarra, Camooweal, Doomadgee, Burketown, Normanton, Karumba and Mornington Island. Treatment options provided are – Assessment, Brief Intervention, Harm minimisation, Consultation liaison, General support, counselling and referral, Psychological education, Detoxification and withdrawal support, Training and education, Health promotion, Queensland Illicit Drug Diversion Initiative and Queensland Needle and Syringe Program, Court diversions (referrals from Justice System for court ordered treatments) Closing the Gap – Youth Program and Opioid Treatment Program.

The Homeless Health Outreach Team is a team of health professionals who regularly visit a variety of places around Mount Isa to meet with people who have health needs, who are homeless, at risk of being homeless, or are living on the streets or in temporary accommodation. The Homeless Health Outreach Team works with people of all ages and can assist anybody who identifies as Homeless, has mental health concerns or other physical health problems.

Associated with a range of issues including socioeconomic disadvantage, lack of water fluoridation and poor oral health knowledge, the oral health needs of our communities are relatively high. In accordance with the National Oral Health Plan we are refocusing services by increasing availability for routine and preventive care services and are achieving increased services for our communities.

Teaching and training provided within our region is second to none as we provide rich and supported environments for a significant number of medical students at all levels, mostly from our partner James Cook University.

We also host students from other disciplines who rotate through North West facilities gaining valuable experience of health service delivery in rural and remote Queensland, including exposing students from predominantly urban backgrounds to the unique factors of living in remote settings. We receive overwhelmingly positive feedback from students who appreciate the lifestyle options afforded by the outback as well as the experience gained from working in a remote environment, with all the medical challenges that come with that environment. During the reporting period we welcomed five Rural Generalist Interns employed for the first time in Mount Isa.

Rural Generalist Medical interns – a first for North West Hospital and Health Services – Brendan Graham, Leigh McKenzie, June Brundell, Giselle Bell and Erica West

Teaching training and research takes place throughout our facilities but it is particularly assisted by the presence of our partners in Mount Isa Centre for Rural and Remote Health (MICRRH), a Commonwealth initiative and funded site located on campus at Mount Isa Hospital.

Key achievements for 2015–2016 include:

In addition to the range of local achievements delivered by our staff across each of our local facilities, as summarised between pages 20 to 32 of this report, we also delivered:

- Successfully achieving the Government's Key Performance Indicator target for a 10 percent increase in activity during 2015–2016 for the Telehealth Services Unit, achieved three months ahead of deadline with total year end activity demonstrating an increase of 46 percent in telehealth use
- Diabetes in Pregnancy Telehealth clinics commenced allowing pregnant women with diabetes to access specialist advice and management from a Townsville-based Endocrinologist specialising in high risk antenatal care. The service is supported by a Nurse Practitioner
- Individual patient case management has been implemented within telehealth to facilitate a seamless patient journey through the health system which has aided in a slight reduction to the failure to arrive (FTA) rates
- Assessed against the EQuIP National Standards and the National Standards for Mental Health Services in December 2015 to receive full accreditation status. Doomadgee received special mention of the strong links between the community and the health service – improvements in alcohol and drug, mental health and sexual health. "The mental health team was broadly impressed with the mental health service, which conforms to key principles of the National Standards for Mental Health Services: a full continuum of care, respectful dealings with consumers and carers, respectful observance of legislation and guidelines and an active commitment to deliver care in the least restrictive manner," the accreditation report says.
- Successful partnering with external agencies to increase awareness of drug and alcohol issues, 2016 partnering with Queensland Police Service to deliver ICE community awareness throughout the Health and Hospital Service
- Successful community engagement with the Homeless Health Outreach Team which engages consumers through day programs, at the Burke St Shed, and other locations

- Homeless Health Outreach Team were highlighted in accreditation for the work they do in engaging with consumers/carers in their location in the riverbed. This was commended as an example of appropriate service design
- Appointment of dental prosthetist to the Oral Health Unit, enabling dentures to be made and mended on site
- The recruitment of a new dental therapist to provide general dental services to school children in the district
- Recruitment of permanent Director of Surgery – due to start in August 2016
- Recruitment of permanent Director of Paediatrics – due to start in September 2016
- Recruitment of permanent staff specialist in General Medicine and General Surgery for commencement in second half of 2016.
- Dr Maureen Khan and Dr Heather Carcary both obtained their Fellowship with the Australian College of Rural and Remote Medicine
- Telehealth services introduced and implemented with Laura Johnson Home for Aged Care
- Increase of fracture clinics from one a week to twice weekly
- Purchase of telehealth equipment including IPODs to all outlying facilities and USB Otoscopes for the hospitals to be used in conjunction with Deadly Ears services.
- Building of partnerships with key stakeholders such as Gidgee Healing, North and West Remote Health and the Western Queensland Primary Health Network.

Looking ahead for 2016–2017, we will deliver:

- Employment of teledentistry improving access to a dentist for advice for people living in remote communities and towns within the region
- Employment of telepharmacy improving access to pharmaceutical advice for people living in remote communities and towns within the region
- Strong integration between Alcohol, Tobacco and Other Drugs, and the Homelessness Health Outreach Team and Mental Health for clients with dual diagnosis
- Implementing the new *Mental Health Act 2016*
- Ambulatory detoxification program and community smoking cessation program
- Development of innovative marketing strategies to source, attract and recruit staff, marketing the North West as a place to live and work for medical staff, including a strategy to have "postings" for variable periods
- Recruitment of further permanent staff into vacant positions to decrease reliance on locums.

Nursing and Midwifery Services

The North West Hospital and Health Service Nursing and Midwifery, and Community and Primary Health Care aims to ensure delivery of safe, quality and efficient Nursing and Midwifery care responsive to consumer and community need and expectations, whilst encouraging Nursing and Midwifery innovation in clinical, education and research domains.

The Executive Director of Nursing and Midwifery has a diverse portfolio that manages the professional and operational governance for Nursing and Midwifery services in the North West Hospital and Health Service, including Community and Primary Health Care, Quality Safety and Risk, Professional Practice Support Unit, remote hospitals, primary health clinics and acute areas at Mount Isa Hospital.

2015–2016 has seen many positive achievements for Nursing and Midwifery Services. At the forefront is our commitment to achieving excellence in nursing and midwifery care and patient outcomes through the Magnet Recognition Program®. Magnet Recognition is a credential that is granted to healthcare organisations that achieve exceptional quality and safety outcomes by nurturing professionalism, sustaining positive and collaborative work environments, supporting lifelong learning and fostering engagement and innovation.

The Nursing Leadership Team and Magnet Champions have developed and are preparing to implement a Professional Practice Model which articulates the vision and values of nurses and midwives in the North West Hospital and Health Service. The Professional Practice Model informs the way that nurses and midwives practise, collaborate, communicate and develop professionally to be able to provide the highest quality of care to patients and their families in our hospitals and communities.

The introduction of the Midwifery Led Model of Care to provide a case-load midwife to support women and their families through the entire birthing journey, providing continuity of care was another initiative, driven by community wishes.

Key achievements for 2015–2016 include:

- Development of the Professional Practice Support Unit (formerly Learning and Development) – focusing on professional development of Nurses and Midwives
- Commitment to the Magnet journey – including commencement of a Nurses' Forum as a direct link to the Nursing Leadership Team and working towards implementing a Professional Practice Model

- Nurse-Led Project 2015–2016
- Nursing and Midwifery Led Clinics 65 percent of clinics available
- Successful rollout of Emergency Department Information System, Hospital Based Corporate Information System Communicare across all Hospital and Health Service sites
- Rollout of iPads to all Hospital and Health Service sites and units at Mount Isa Hospital allowing for easier completion of audits
- Nursing Leadership Team Strategic Planning Day – producing positive outcomes for the team and reinforcing our team culture
- Addition of the Quality, Safety and Risk team and Cultural Advisor under the Executive Director of Nursing portfolio
- Commencement of the End of Life strategy
- Successful staff flu vaccination launch
- New scrubs supplied to Emergency Department staff with indigenous design
- Nurse Practitioner credentialing for South West Hospital and Health Service to encourage and build a culturally safe environment for Indigenous patients
- Successful implementation of the Nursing and Midwifery Supportive Practice Advisory Group – offering support to line managers with nurses and midwives requiring support in their practice as enrolled nurses, registered nursed and registered midwives
- The Executive Director of Nursing attended the Magnet Recognition Program conference in Atlanta, USA in October 2015
- Recognition and acknowledgement of staff – 2nd annual Nurse and Midwife of the Year awards presented
- New Paediatric Unit opened
- Commencement of Caseload Midwife in Cloncurry, Julia Creek and McKinlay
- Appointment of Director of Nursing to the McKinlay Primary Health Clinic.

Looking ahead for 2016–2017, we will deliver:

- Nurse-led Palliative Care Service
- Link with new innovative telehealth models – including pharmacy and oral health at remote sites
- Renovations of Maternity Ward, Theatre and Intensive Care Unit
- Expansion of aged care at McKinlay Shire MultiPurpose Health Service
- Redevelopment of Cloncurry Community Health Building.

Community and Primary Health Care

North West Hospital and Health Service's Community and Primary Health Care is a primary and secondary whole-of-life service with a patient and family centred model of care. In addition to hospital based chronic disease, aged care, sexual health, nursing and midwifery services, the division also provides outpatient, outreach, hospital inpatient support, home visits, assessments, telehealth, school based programmes, health education, prevention and promotion services across the North West Region on a multi-disciplinary basis. Culturally appropriate community engagement and services are also provided to support and empower self-care whilst maintaining a connection with culture and country.

Overseen by the Executive Director of Nursing and Midwifery, key strategic initiatives during the reporting period included the commencement of Health Worker-led clinics, diabetes outreach service telehealth to Mornington Island in the patient's home, using an iPad, and successful implementation of My Aged Care program. Other important initiatives were the partnership of Maternal, Child Health and Sexual Health Services with Gidgee Healing, and the commencement of the Nurse Navigator program at Mount Isa and Doomadgee.

With the new models of care and health promotion activities, the North West Hospital and Health Service has seen a significant decrease in the rates of infectious syphilis, from 55 cases in 2014 to 29 cases in 2015. We were nominated for a Queensland Excellence Award for our rates of syphilis screening.

Key achievements for 2015–2016 include:

In addition to the range of local achievements delivered by our staff across each of our local facilities, as summarised between pages 22 to 32 of this report, we also delivered:

- A range of awareness raising campaigns, education and other health promotion events, including a cardiac awareness display for Heart Week in May 2016, NAIDOC Week health screening, health prevention and education; Closing the Gap Day screening, health prevention and health promotion, and participation in the second Mount Isa Health Expo
- A significant decrease in the rates of Infectious Syphilis in the North West, from 55 cases in 2015, to 29 cases in 2015

Child and Maternal Health Checks at 2015 NAIDOC Day event at George McCoy Park Mount Isa

- Commencement of Health Worker-led clinics
- Diabetes Outreach Telehealth Service to Mornington Island in patients' homes, via iPad
- Rheumatic Heart Disease Bicillin compliance is the highest in the state
- Endorsement from the Lung Foundation to advertise and support heart failure and COPD patients for cardiac rehabilitation maintenance program
- Commencement of Insulin pump service
- National Diabetes Services Scheme established in Mornington Island
- Paediatric Diabetes support and individual diabetes school plans – to schools, in partnership with Education Queensland
- Increased Healthy Hearing services to include Camooweal, Mornington Island, Doomadgee, Urandangi and Burketown
- Successful move of premises with minimal disruption of services for Maternal, Child and Youth Service
- Development of short videos based on sexual health, with Indigenous actors
- Demonstrated improvement in 'Fail to Attend' rates with respect to clinics held in all locations – from 11 percent down to 7 percent
- Diffusion Lung Capacity for Carbon Monoxide respiratory machine sourced with Aboriginal and Torres Strait Islander funding from the Queensland Government
- Healthy Skin Program change in model of care and services
- Commencement of two Nurse Navigators, Mount Isa and Doomadgee based
- Funding for Mount Isa Lead Health Management Program.

Looking ahead for 2016–2017, we will deliver:

- Capacity building will be a focus for Community Primary Health Care Service, including motivational interviewing and health literacy
- Further work on behavioural interventions
- Plans to establish further health worker-led clinics
- Current successes with primary health care use of telehealth have established new models which will be adopted by other teams
- Case conferencing of patients and information sharing within the Community Primary Health Care Service to commence
- To complement the elders' group, a non-indigenous consumers group will be formulated
- Expansion and further development of the Nurse Navigator Program
- Staff to receive further education on research methods and tools
- Continued efficient and effective delivery of care, particularly in more remote locations.
- Further local initiatives will also be delivered by our staff across each of our facilities.

Quality Safety and Risk Unit

The unit was established in January 2015, to provide support for all staff throughout the North West Hospital and Health Service to ensure the best, safest care for our patients.

The Unit includes Patient Safety, Patient Liaison, Infection Prevention, Risk Management, Audit and Compliance and Quality Improvement.

Patient Safety

The Patient Safety Clinical Nurse Consultants are responsible for monitoring the clinical incidents throughout the North West Hospital and Health Service. They assist with investigating incidents and report any trending noted in the type, location or nature of incidents, to enable mitigation strategies to be put in place. Weekly Incident Panel meetings discuss each individual incident logged, and recommend any actions to be taken as a result of the incidents. Patient Safety Officers also provide training for staff in how best to keep our patients safe, and how to manage incidents if they occur.

Patient Liaison

The Patient Liaison Officer is a vital part of ensuring our patients have a positive experience when using our services. All compliments and complaints are electronically logged and monitored to ensure responses are provided within acceptable time frames. The Patient Liaison Officer will visit patients in the ward or outpatient department to assist them to resolve any issues they may have. The Patient Liaison Officer also provides assistance to staff in managing patient complaints. All feedback received is used to review processes and make improvements to the patient journey.

Infection Prevention

The Infection Prevention Clinical Nurse Consultant is responsible for ensuring our patients are not exposed to infection and that any infections noted throughout the North West Hospital and Health Service are managed appropriately. Any learnings are used to implement improvements, and improve clinical processes.

Risk Management

All healthcare has some level of risk attached, and the North West Hospital and Health Service is committed to managing the risks we face in an appropriate manner. Using the Queensland Health electronic risk management system, the risk manager assists department managers to identify risk, assess the level of risk and apply controls to effectively mitigate the risk.

Audit and Compliance

The Audit and Compliance Officer is responsible for ensuring that we effectively measure the care we provide. All patient care units have an annual audit schedule, which enables unit managers to assess their level of performance against set criteria based on the National Standards. The Audit and Compliance Officer collates this information and provides monthly reports on the audit findings.

Quality Improvement

The North West Hospital and Health Service is committed to continually improve the quality of care we provide. The Quality Improvement Clinical Nurse and Clinical Nurse Consultant assist staff to identify areas where quality can be improved and provide an advisory service to project managers. All quality projects are logged on a central register. The Quality Improvement team are also responsible for managing the register of Policies, Protocols and Procedures for the North West Hospital and Health Service, and provide assistance to all staff to complete the process for any new procedures.

Key achievements for 2015–2016 include:

- Completion of the four year Accreditation cycle, with the North West Hospital and Health Service fully accredited until 2020
- Achievement of four “Met with merit” criteria during the accreditation survey, for incident management
- Development of improved auditing schedule for the North West Hospital and Health Service
- Improvement of the Quality Safety and Risk Intranet resource
- Inclusion of the Statewide End of Life project within the Quality and Safety team
- Recruitment of a permanent Patient Liaison Officer and improvement in the support given to staff to improve the patient experience.

Plans for 2016–2017 include:

- Improvement in consumer engagement, including revision of feedback forms and increased participation of consumers in North West Hospital and Health Service decision-making in relation to Quality and Safety
- Improvement of the patient experience survey
- Development of a Quality and Safety Framework to provide structure and purpose to completion of the Quality and Safety Plan
- Further development of the End of Life Strategy and inclusion of the Palliative Care Project
- Commitment to the national Care for Cognitive Impairment campaign, providing specific care strategies for those with dementia and delirium
- Progression to the new Queensland Health Risk and incident management system.

Chief Operating Officer

The role of the Chief Operating Officer has a prime focus on strategic asset management and Information and Communications Technology, as well as continued management of all things operational – maintenance, operational services, patient travel, clinical support and human resources.

Team members are client focussed and provide high quality services that support health care delivery.

Key achievements for 2015–2016 include:

- Successful transition of land and building ownership from the Department to the North West Hospital and Health Service. This has included a comprehensive assessment of critical infrastructure to inform strategic asset management planning moving forward
- Successful transition of project management to the North West Hospital and Health Service of major capital works which has resulted, to date, in a fit for purpose Paediatric ward, Central Sterilising department, and public private partnership with Radiology providers to commission a Magnetic Resonance Imaging service for the North West. This has been achieved on budget and with minimal time delays
- Successful funding submissions with allocation of funding to address aged infrastructure needs within the North West Hospital and Health Service
- Successful negotiation of a service level agreement with the Department of Housing and Public Works where the North West Hospital and Health Service is directly managing all employee housing
- Transition of Human Resources Services, including Human Resources, Occupational Health and Safety, and Learning and Development to the Chief Operating Officer stream

- Assuming administrative management of all Specialist Outpatient and Elective Surgery waitlists with a positive result by year end including only one long wait Elective Surgery patient and significant addressing of long wait outpatient lists particularly cardiology related

Looking ahead for 2016–2017, we will deliver:

- Mechanical and Electrical Upgrade Mount Isa Hospital
- Mechanical and Electrical Upgrade Cloncurry Multipurpose Health Service
- Redevelopment of the McKinlay Multipurpose Health Service
- Refurbishment of the Alan Ticehurst building in Cloncurry, and the successful transition of Cloncurry Community Health and Dental to the premises

Finance department

The Chief Finance Officer is responsible for the management of revenue and expenditure of the North West Hospital and Health Service. For financial year 2015–2016, the total expenditure was $161.2 million.

Supported by a small team, the finance department ensures the financial internal controls of the service are operating efficiently, effectively and economically.

Looking ahead for 2016–2017, we will deliver:

- Timely delivery and upload of the North West Hospital and Health Service's local cost centre budgets into the Department of Health's Decision Support System for financial year 2016–2017
- Improvements in budget variance reporting from the cost centre management to the executive governance reporting
- Improvements in the processes for the capitalisation of assets
- Ongoing financial and performance reporting assistance will continue throughout the year,
- Delivery of contemporary cost delegate training across the service
- Undertake a complete review of the Financial Management Procedure Manual to improve its accessibility and readability to all staff in the North West Hospital and Health Service.

Our finance team

North West Hospital and Health Service Cultural Advisor

A Cultural Advisor role was established in 2015 to guide current and future strategic and operational directions of the North West Hospital and Health Service and strengthen cultural engagement to ensure we are best placed to progress improvements in health outcomes for Aboriginal and Torres Strait Islander people.

Funding for this initiative was received from the Queensland Department of Aboriginal and Torres Strait Islander Partnerships.

During 2015–2016, the Cultural Advisor played a key role in implementing the Aboriginal and Torres Strait Islander Cultural Capability Framework 2010–2033, the purpose of which is to deliver culturally effective and clinically responsive health services for Aboriginal and Torres Strait Islander people.

The Cultural Advisor has been developing an annual North West Hospital and Health Service Cultural Capability Action Plan in line with the Queensland Government Aboriginal and Torres Strait Islander Cultural Capability Framework and Queensland Health's Aboriginal and Torres Strait Islander Cultural Capability Framework 2010–2033.

Special NAIDOC scrubs for Emergency Department staff, a project implemented by the Cultural Advisor in 2016

Plans for 2016-2017 will see:

- The role description reviewed
- Reporting lines will change to report directly to the Chief Executive
- Greater focus on organisational cultural capability and consumer engagement
- Direct engagement with Board, Executive and community.

GLOSSARY

Activity based funding (ABF): Funding framework for public health care services delivered across Queensland based on standardised costs of health care services, referred to as 'activities'. The ABF framework applies to those facilities which are operationally large enough to support the framework. For the North West Hospital and Health Service, this currently applies to the Mount Isa Hospital only, with all other hospital facilities receiving block funding (see definition below).

Acute care: Healthcare in which a patient is treated for an acute (immediate and severe) episode of illness; for the subsequent treatment of injuries related to an accident or other trauma; management of labour or during recovery from surgery. Acute care is usually provided in hospitals. Unlike chronic care (longer term physical conditions), acute care is often necessary only for a short time.

Ambulatory care: Care provided to hospital patients who are not admitted to the hospital, such as patients of emergency departments and outpatient clinics.

Block funding: Block funding is typically applied for small public hospitals where there is an absence of economies of scale that mean some hospitals may not be financially viable under Activity Based Funding.

Community service: Non-admitted patient health services, excluding hospital outpatient services, typically delivered outside of hospital settings.

Day case: Treatment or procedure undertaken where the patient is admitted and discharged on the same day.

Deadly Ears: Queensland Health's State-wide Aboriginal and Torres Strait Islander Ear Health Program for children. Middle ear disease, medically known as otitis media, affects up to 8 out of 10 Aboriginal and Torres Strait Islander children living in remote communities and is conductive to hearing loss, which impacts upon health, child development and educational outcomes of children, their families and communities.

Emergency Department: Dedicated area of a hospital organised and administered to provide emergency care to those in the community who perceive the need for, or are in need of, acute or urgent care.

Government objectives for the community: Section 10 of the *Financial Accountability Act 2009* requires the Premier to prepare and table a statement of the government's broad objectives for the community.

The *Queensland Government's Objectives for the Community* addresses this requirement which broadly addresses four key domains:

- Delivering quality frontline services
- Building safe, caring and connected communities
- Protecting the environment
- Creating jobs and a diverse economy

Indigenous Respiratory Outreach Care (IROC): Provided in partnership with Aboriginal Medical Services, IROC is a program that provides specialist respiratory (lung health) outreach clinics to Aboriginal and Torres Strait Islander adults and children in rural, remote and urban communities in Queensland.

Inpatient service: A service provided under a hospital's formal admission process. Treatment and/or care is provided over a period of time and can occur in hospital and/or in the person's home or other settings.

National Emergency Access Target (NEAT): NEAT relates to the length of time patients spend in the emergency department and is measured as the percentage of patients who leave the emergency department, are admitted to a bed in a ward or transferred to another hospital within four hours of their arrival.

National Elective Surgery Targets (NEST): A measurement to ensure that surgical patients are treated within their recommended clinical priority timeframes of either 30, 90 or 365 days, depending on their assessed conditions.

North and West Remote Health: A not-for-profit primary health care company, recognised as a significant Commonwealth and State Government primary health care organisation, servicing 14 Local Government Areas and 39 communities across an area of over 600,000 kilometres of remote Queensland.

Nurse Navigators: A new initiative of the Queensland Government to strengthen patient safety and frontline services. Nurse Navigators are experienced nurses tasked with easing a patient's journey through the health system, ensuring they are supported and receiving the best possible care in a timely manner.

Outpatient: A non-admitted, non-emergency patient provided with a service such as an examination, consultation, treatment or other service.

Performance indicator: Measures the extent to which agencies are achieving their objectives.

Primary care: First level healthcare, including health promotion, advocacy and community development, provided by general practitioners (GPs) and a range of other healthcare professionals.

Primary Health Networks (PHNs): Established by Federal Government with the key objectives of increasing the efficiency and effectiveness of medical services for patients – particularly those at risk of poor health outcomes – and improving coordination of care to ensure patients receive the right care in the right place at the right time.

Public health services: Programs that prevent illness and injury, promote health and wellbeing, create healthy and safe environments, reduce health inequalities and address factors in those communities whose health status is the lowest.

Royal Flying Doctor Service (RFDS): A not-for-profit organisation, supported by the Commonwealth, State and Territory Governments but also relying heavily on fundraising and donations from the community to purchase and medically-equip its aircraft, and to finance other major capital initiatives. Today, the RFDS has a fleet of 63 aircraft operating from 21 bases located across the nation and provides medical assistance to over 290,000 people every year.

Service standard: A standard of efficiency and effectiveness to which an agency will deliver services within its budget. Standards define a level of performance that is appropriate for the service and are expected to be achieved.

Strategic plan: A short, forward-looking document to set direction and provide local objectives and strategies to ensure alignment with the government's objectives for the community.

Telehealth: The delivery of health services and information using telecommunication technology, including:

- Live interactive video and audio links for clinical consultations and education.
- Store and forward systems to enable the capture of digital images, video, audio and clinical data stored on a computer and forwarded to another location to be studied and reported on by specialists.
- Remote reporting and provision of clinical advice associated with diagnostic images.
- Other services and equipment for home monitoring of health.

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance	ARRs – section 8	Page 3
Accessibility	Table of contents Glossary	ARRs – section 10.1	Page 5 Pages 62–63
	Public availability	ARRs – section 10.2	Inside front cover
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 10.3	Inside front cover
	Copyright notice	*Copyright Act 1968* ARRs – section 10.4	Inside front cover
	Information Licensing	QGEA – Information Licensing ARRs – section 10.5	Not applicable
General information	Introductory Information	ARRs – section 11.1	Pages 6–15
	Agency role and main functions	ARRs – section 11.2	Pages 15–19
	Operating environment	ARRs – section 11.3	Pages 20–32
Non-financial performance	Government's objectives for the community	ARRs – section 12.1	Page 34
	Other whole-of-government plans / specific initiatives	ARRs – section 12.2	Page 35
	Agency objectives and performance indicators	ARRs – section 12.3	Pages 35–37
	Agency service areas and service standards	ARRs – section 12.4	Pages 37–38
Financial performance	Summary of financial performance	ARRs – section 13.1	Page 40
Governance – management and structure	Organisational structure	ARRs – section 14.1	Page 41
	Executive management	ARRs – section 14.2	Pages 46–48
	Government bodies (statutory bodies and other entities)	ARRs – section 14.3	Not applicable
	Public Sector Ethics Act 1994	*Public Sector Ethics Act 1994* ARRs – section 14.4	Page 53
	Queensland public service values	ARRs – section 14.5	Page 53
Governance – risk management and accountability	Risk management	ARRs – section 15.1	Pages 49–50
	Audit committee	ARRs – section 15.2	Page 44
	Internal audit	ARRs – section 15.3	Pages 44–46
	External scrutiny	ARRs – section 15.4	Page 33
	Information systems and recordkeeping	ARRs – section 15.5	Page 50
Governance – human resources	Workforce planning and performance	ARRs – section 16.1	Pages 52–53
	Early retirement, redundancy and retrenchment	Directive No.11/12 Early Retirement, Redundancy and Retrenchment ARRs – section 16.2	Page 53
Open Data	Consultancies	ARRs – section 17 ARRs – section 34.1	Page 40
	Overseas travel	ARRs – section 17 ARRs – section 34.2	Page 40
	Queensland Language Services Policy	ARRs – section 17 ARRs – section 34.3	Page 40
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	Page 31 of financial statement
	Independent Auditors Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	Pages 32–33 of financial statement

ARRs: Annual report requirements for Queensland Government agencies
FAA: *Financial Accountability Act 2009* FPMS: *Financial and Performance Management Standard 2009*

FINANCIAL STATEMENTS
2015–2016

North West Hospital and Health Service

ABN 22 406 683 778

Queensland Government

Queensland Audit Office
better public services

Your ref:
Our ref: 2016-2561
Mr Joe Rapisardi 3149 6070

31 August 2016

IN-CONFIDENCE

Ms L Davies Jones
Health Service Chief Executive
North West Hospital and Health Service
PO Box 27
MT ISA QLD 4825

Dear Ms Davies Jones

General Purpose Financial Statements—2015-16
North West Hospital and Health Service

I enclose for your information the original certified general purpose financial statements as required by section 40(4) of the *Auditor-General Act 2009* and a QAO certified copy. Copies of the certified financial statements have also been forwarded to the Chair and the Minister for Health.

I have issued an unmodified opinion.

Yours sincerely

Damon Olive
Director

Enc.

Queensland Audit Office
Level 14, 53 Albert Street, Brisbane Qld 4000
PO Box 15396, City East Qld 4002

Phone 07 3149 6000
Email qao@qao.qld.gov.au
Web www.qao.qld.gov.au

North West Hospital and Health Service

Financial Statements - 30 June 2016

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STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2016

	Notes	2016 $'000	2015 $'000
Income			
User charges and fees	A1-1	**155,879**	144,925
Grants and other contributions	A1-2	**2,284**	2,736
Other revenue	A1-3	**902**	951
Total income		**159,065**	148,611
Expenses			
Employee expenses	A2-1	**83,253**	76,457
Other supplies and services	A2-2	**67,201**	63,198
Grants and subsidies	A2-3	**320**	466
Depreciation	B5	**7,993**	7,794
Impairment losses		**194**	310
Other expenses	A2-4	**2,242**	2,333
Total expense		**161,203**	150,559
Operating result for the year		**(2,138)**	(1,948)
Other comprehensive income			
Items that will not be subsequently reclassified to operating result:			
Increase/(decrease) in asset revaluation surplus		-	(1,043)
Total other comprehensive income		-	(1,043)
Total comprehensive income		**(2,138)**	(2,991)

The accompanying notes form part of these statements.

STATEMENT OF FINANCIAL POSITION
As at 30 June 2016

	Notes	2016 $'000	2015 $'000
Current assets			
Cash and cash equivalents	B1	**2,153**	7,847
Receivables	B2	**7,301**	1,938
Inventories	B3	**949**	1,003
Other	B4	**14**	2,200
Total current assets		**10,417**	12,988
Non-current assets			
Property, plant and equipment	B5	**99,242**	97,737
Total non-current assets		**99,242**	97,737
Total assets		**109,659**	110,725
Current liabilities			
Payables	B6	**5,263**	9,421
Accrued employees benefits	B7	**2,928**	2,519
Unearned revenue		**-**	559
Total current liabilities		**8,191**	12,499
Total liabilities		**8,191**	12,499
Net assets		**101,468**	98,226
Equity			
Contributed equity	B8	**95,346**	89,966
Accumulated surplus		**(3,445)**	(1,307)
Asset revaluation surplus	B9	**9,567**	9,567
Total equity		**101,468**	98,226

The accompanying notes form part of these statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2016

	Contributed equity $'000	Accumulated surplus $'000	Asset revaluation surplus $'000	Total equity $'000
Balance as at 1 July 2014	102,313	1,391	10,610	114,314
Accumulated surplus adjustment		(750)	-	(750)
Balance as at 1 July 2014	102,313	641	10,610	113,564
Operating Result from Continuing Operations	-	(1,948)	-	(1,948)
Total other comprehensive income				
- Increase/(decrease) in asset revaluation surplus	-	-	(1,043)	(1,043)
Transactions with owners				
- Non-appropriated equity injections	1,526	-	-	1,526
- Non-appropriated equity withdrawals	(7,794)	-	-	(7,794)
- Non-appropriated equity asset transfers	(6,079)	-	-	(6,079)
Balance at 30 June 2015	89,966	(1,307)	9,567	98,226
Balance as at 1 July 2015	**89,966**	**(1,307)**	**9,567**	**98,226**
Operating Result from Continuing Operations	**-**	**(2,138)**	**-**	**(2,138)**
Total other comprehensive income				
- Increase/(decrease) in asset revaluation surplus		**-**		**-**
Transactions with owners				
- Non-appropriated equity injections (Note B8-1)	**13,251**			**13,251**
- Non-appropriated equity withdrawals (Note B8-1)	**(7,993)**	**-**	**-**	**(7,993)**
- Non-appropriated equity asset transfers (Note B8-1)	**122**	**-**	**-**	**122**
Balance at 30 June 2016	**95,346**	**(3,445)**	**9,567**	**101,468**

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS
For the year ended 30 June 2016

	Notes	2016 $'000	2015 $'000
Cash flows from operating activities			
Inflows:			
User charges and fees		**142,120**	139,435
Grants and other contributions		**2,284**	3,370
GST collected from customers		**226**	237
GST input tax credits from ATO		**5,162**	4,190
Other		**1,376**	592
Outflows:			
Employee expenses		**(84,511)**	(76,461)
Health service employee expenses		**-**	(1,842)
Supplies and services		**(68,205)**	(63,638)
Grants and subsidies		**(394)**	(466)
GST paid to suppliers		**(5,300)**	(4,258)
GST remitted to ATO		**(260)**	(225)
Other		**(2,025)**	(2,129)
Net cash (used in) / provided by operating activities		**(9,527)**	(1,195)
Cash flows from investing activities			
Inflows:			
Sales of property, plant and equipment		**33**	-
Outflows:			
Payments for property, plant and equipment		**(9,451)**	(1,542)
Net cash from/(provided by) investing activities		**(9,418)**	(1,542)
Cash flows from financing activities			
Inflows:			
Equity injections		**13,251**	1,526
Outflows:			
Equity withdrawals		**-**	(750)
Net cash from/(provided by) financing activities		**13,251**	776
Net increase/(decrease) in cash and cash equivalents		**(5,694)**	(1,961)
Cash and cash equivalents at the beginning of the financial year		**7,847**	9,809
Cash and cash equivalents at the end of the financial year	**B1**	**2,153**	7,847

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS
For the year ended 30 June 2016

NOTES TO THE STATEMENT OF CASH FLOWS

	2016 $'000	2015 $'000
Operating result from continuing operations	**(2,138)**	(1,948)
Non-cash items:		
Depreciation	**7,993**	7,794
Net (gain) on disposal of property, plant and equipment	**(1)**	-
Depreciation funding	**(7,993)**	(7,794)
Net loss on disposal of property, plant and equipment	**42**	206
Changes in assets and liabilities:		
(Increase)/decrease in receivables	**(5,362)**	2,264
(Increase)/decrease in inventories	**54**	(500)
(Increase)/decrease in prepayments	**2,186**	(2,172)
Increase/(decrease) in payable	**(4,308)**	954
Net cash (used in) / provided by operating activities	**(9,527)**	(1,195)

BASIS OF FINANCIAL STATEMENT PREPARATION

General Information

The North West Hospital and Health Service (NWHHS) is a not-for-profit statutory body under the *Hospital and Health Boards Act 2011* and is domiciled in Australia. The NWHHS is responsible for providing public sector health services to communities within the area assigned under the Hospital and Health Boards Regulation 2012. Its principal place of business is

1 Barkly Highway

Mount Isa QLD 4825

Funding is obtained predominately through the purchase of health services by the Department of Health (DOH) on behalf of both the State and Australian Governments. In addition, health services are provided on a fee for service basis mainly for private patient care.

The ultimate parent entity is the State of Queensland.

Controlled entities

The North West Hospital and Health Service does not have any controlled entities

Investment in Western Queensland Primary Care Collaborative Limited

Western Queensland Primary Care Collaborative Limited (WQ PCC) was registered in Australia as a public company limited by guarantee on 22 May 2015. North West Hospital and Health Service is one of three founding members with Central West HHS and South West HHS, each holding one voting right in the company. The principal place of business of WQ PCC is Mount Isa, Queensland. Each founding member is entitled to appoint one Director to the Board of the company.

WQ PCC's principal purposes as a not for profit organisation are to increase the efficiency and effectiveness of health services for patients in Western Queensland, particularly those at risk of poor health outcomes; and improve co-ordination to facilitate improvement in the planning and allocation of resources enabling the providers to provide appropriate patient care in the right place at the right time. These purposes align with the strategic objective of North West HHS to integrate primary and acute care services to support patient wellbeing.

Each member's liability to WQ PCC is limited to $10. WQ PCC's constitution legally prevents it from paying dividends to the members and also prevents the income or property of the company being transferred directly or indirectly to the members. This does not prevent WQ PCC from making loan repayments to North West HHS or reimbursing North West HHS for goods or services delivered to WQ PCC.

North West HHS's interest in WQ PCC is immaterial in terms of the impact on North West HHS's financial performance because it is not entitled to any share of profit or loss or other income of WQ PCC. Accordingly, the carrying amount of North West HHS's investment and subsequent changes in its value due to annual movements in the profit and loss of WQ PCC are not recognised in the financial statements.

North West HHS does not have any contingent liabilities or other exposures associated with its interests in WQ PCC.

Statement of Compliance

The financial statements:

- have been prepared in compliance with section 62(1) of the Financial Accountability Act 2009 and section 43 of the Financial and Performance Management Standard 2009;
- are general purpose financial statements prepared on a historical cost basis, except where stated otherwise;
- are presented in Australian dollars;
- have been rounded to the nearest $1,000 or, where the amount is $500 or less, to zero unless the disclosure of the full amount is specifically required;
- present reclassified comparative information where required for consistency with the current year's presentation;
- have been prepared in accordance with all applicable new and amended Australian Accounting Standards and Interpretation as well as the Queensland Treasury's Minimum Reporting Requirements for the year ended 30 June 2016, and other authoritative pronouncements.

Authorisation of financial statements for issue

The general purpose financial statements are authorised for issue by the Chair and the Chief Executive, at the date of signing the Management Certificate.

Further information

For information in relation to NWHHS's financial statements:

- Email mt_isa_finance@health.qld.gov.au or
- Visit the NWHHS website at: www.health.qld.gov.au/mt_isa

NOTES ABOUT FINANCIAL PERFORMANCE

This section considers the income and expenses of North West Hospital and Health Service.

A1 INCOME

A1-1 USER CHARGES AND FEES

	2016 $'000	2015 $'000
Department of Health Funding		
Activity based funding	**64,326**	69,467
Block funding	**29,493**	28,278
Departmental of Health funding	**49,323**	34,765
Depreciation funding	**7,993**	7,794
Total Department of Health Funding	**151,135**	140,304
Other user charges		
Sales of goods and services	**2,366**	2,242
Hospital fees	**1,668**	1,643
Rent	**77**	90
Remote Indigenous S100 arrangements (Australian Government)	**633**	646
Total other user charges	**4,744**	4,621
Total user charges and fees	**155,879**	144,925

Funding is provided predominantly by the Department of Health for specific public health services purchased by the Department in accordance with a service agreement. The Department of Health receives its revenue for funding from the Queensland Government (majority of funding) and the Commonwealth. Activity based funding is based on an agreed number of activities, per the service agreement and a state-wide price by which relevant activities are funded. Block funding is not based on levels of public health care activity. The service agreement is reviewed periodically and updated for changes in activities and prices of services delivered by NWHHS. The funding from the Department is received fortnightly in advance. At the end of the financial year, a financial adjustment may be required where the level of service provided is above or below the agreed level.

The service agreement between the Department of Health and NWHHS specifies that the Department funds NWHHS's depreciation and amortisation charges via non-cash revenue. The Department retains the cash to fund future major capital replacements. This transaction is shown in the Statement of Changes in Equity as a non-appropriated equity withdrawal.

Revenue recognition for hospital fees and sales of goods and services is based on either invoicing for related services or goods provided and/or the recognition of accrued revenue based on estimated volumes of goods or services delivered.

A1-2 GRANTS, CONTRIBUTIONS AND OTHER REVENUE

	2016 $'000	2015 $'000
Australian Government grants and contributions		
Rural and Remote Medical Benefits Scheme	884	617
Indigenous health programs	466	358
Multi-purpose centre funding	-	1,044
Total Australian Government grants	1,350	2,019
State Government grants and contributions		
Home and community care grants	-	120
Other	34	169
Total State Government grants and contributions	34	289
Other grants and contributions		
Other	861	416
Donations	39	12
Total other grants and contributions	900	428
Total grants and contributions	2,284	2,736

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which NWHHS obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements.

Contributed assets are recognised at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated. Where this is the case, an equal amount of revenue and expense is recognised.

A1-3 OTHER REVENUE

	2016 $'000	2015 $'000
Interest	3	27
Other	899	924
Total other revenue	902	951

Revenue recognition for other revenue is based on either invoicing for related goods, services and/or the recognition of accrued revenue based on estimated volumes of goods or services delivered.

A2 EXPENSES

A2-1 EMPLOYEE EXPENSES

	2016 $'000	2015 $'000
Employee expenses		
Wages and salaries	**67,258**	61,682
Annual leave levy	**7,076**	6,537
Employer superannuation contributions	**6,548**	5,987
Long service leave levy	**1,401**	1,296
Redundancies	**450**	252
Workers compensation premium	**520**	703
Payroll tax	**-**	-
Other employee related expenses	**-**	-
Total employee expenses	**83,253**	76,457

On 1 July 2014, North West Hospital and Health Service became the prescribed employer and as such employees are employed directly by North West Hospital and Health Service from that date. North West Hospital and Health Service treats these payments as employee expenses in the financial statements.

Salaries and wages due but unpaid at reporting date are recognised in the statement of financial position at the remuneration rates expected to apply at the time of settlement.

Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Annual leave, long service leave and sick leave

Under the Queensland Government's Annual Leave Central Scheme (established on 30 June 2008) and Long Service Leave Central Scheme (established on 1 July 1999), levies are payable by North West Hospital and Health Service to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. No provisions for long service leave or annual leave are recognised in North West Hospital and Health Service financial statements as the provisions for these schemes are reported on a Whole-of-Government basis pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting. These levies are expensed in the period in which they are paid or payable. Amounts paid to employees for annual leave and long service leave are claimed from the schemes quarterly in arrears. Non-vesting employee benefits such as sick leave are recognised as an expense when taken.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation scheme for Queensland Government employees, at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable and North West Hospital and Health Service's obligation is limited to its contribution to QSuper. The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a Whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Key management personnel and remuneration disclosures are detailed in Note D1.

Number of full time equivalent employees (FTE)	2016 No.	2015 No.
Total FTE	672	664

*reflecting Minimum Obligatory Human Resource Information (MOHRI)

A2-2 SUPPLIES AND SERVICES

	2016 $'000	2015 $'000
Consultancies and other contract labour	**19,998**	15,293
Electricity and other energy	**2,161**	2,055
Patient travel	**15,365**	15,301
Other travel	**2,286**	2,335
Water	**1,349**	1,555
Building services	**305**	288
Computer services	**94**	235
Motor vehicles	**81**	213
Communications	**2,656**	2,613
Repairs and maintenance	**3,257**	4,988
Minor plant and equipment	**169**	374
Operating lease rentals	**4,087**	4,285
Drugs	**3,073**	3,094
Outsourced service delivery	**3,139**	1,953
Clinical supplies and services	**2,815**	2,378
Catering and domestic supplies	**1,709**	1,626
Pathology and blood supplies and services	**3,191**	3,325
Other	**1,466**	1,286
Total supplies and services	**67,201**	63,198

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. When this is the case, an equal amount is recognised as revenue and an expense.

North West Hospital and Health Service receives corporate services support from the Department of Health for no cost. Corporate services received include payroll services, accounts payable services, finance transactional services and taxation services. As the fair value of these services is unable to be estimated reliably, no associated revenue and expense is recognised in the Statement of Comprehensive Income.

A2-3 GRANTS AND SUBSIDIES

	2016 $'000	2015 $'000
Public hospital support services	**320**	466
Total grants and subsidies	**320**	466

A2-4 OTHER EXPENSES

	2016 $'000	2015 $'000
External audit fees	**174**	164
Other audit fees	**135**	123
Bank fees	**5**	6
Insurance	**1,292**	1,203
Inventory written off	**57**	42
Net losses from disposal of property, plant and equipment	**42**	205
Other legal costs	**192**	292
Journals and subscriptions	**17**	23
Advertising	**110**	85
Interpreter fees	**1**	1
Other	**217**	190
Total other expenses	**2,242**	2,333

Total audit fees paid or payable to Queensland Audit Office relating to the 2015-16 financial year were $174,000 (2015: $164,000). There are no non-audit services included in this amount.

The HHS's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund (QGIF), premiums being paid on a risk assessment basis.

Certain losses of public property are insured with the QGIF. The claims made in respect of these losses have yet to be assessed by QGIF and the amount recoverable cannot be estimated reliably at reporting date. Upon notification by QGIF of the acceptance of the claims, revenue will be recognised for the agreed settlement amount and disclosed as Other Revenues.

Occasionally NWHHS makes a special (ex-gratia) payment even though it is not contractually or legally obligated to make such payments to other parties. NWHHS maintains a register of all special payments greater than $5,000. These payments relate to loss of property and personal expense reimbursement.

NOTES ABOUT OUR FINANCIAL POSITION

This section provides information on the assets used in the operation of NWHHS's service and the liabilities incurred as a result.

B1 CASH AND CASH EQUIVALENTS

	2016 $'000	2015 $'000
Cash at bank and on hand	1,920	7,465
Queensland Treasury Corporation cash fund	233	382
Total cash and cash equivalents	2,153	7,847

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions.

NWHHS's bank accounts are grouped with the whole of Government set-off arrangement with Queensland Treasury Corporation. As a result, NWHHS does not earn interest on surplus funds. Interest earned on the aggregate set-off arrangement balance accrues to the Consolidated Fund.

Cash at bank (except operating and revenue accounts) is at call and is subject to floating interest rates. The weighted average effective interest rate is 2.88% (2015: 3.34%).

Overdraft Facility

North West Hospital and Health Service has approval from Queensland Treasury and Trade to operate bank accounts in overdraft up to a limit of $1,500,000.

B2 RECEIVABLES

	2016 $'000	2015 $'000
Trade receivables	7,113	1,945
Less: Allowance for impairment loss	(347)	(369)
	6,766	1,576
GST input tax credits receivable	552	413
GST payable	(17)	(50)
	535	362
Total receivables	7,301	1,938

Receivables are measured at their carrying amount less any impairment, which approximates their fair value at reporting date. Trade receivables are initially recognised at the amount invoiced to customers for services provided with settlement being 30 days from invoice date. Other receivables generally arise from transactions outside the usual operating activities of the HHS and are recognised at their assessed values. Receivables includes end of year funding accrual of $6.1M.

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets inclusive of any provisions for impairment.

The HHS assesses whether there is objective evidence that receivables are impaired or uncollectible on an ongoing basis. Objective evidence includes financial difficulties of the debtor, the class of debtor, changes in debtor credit ratings and default or delinquency in payments (more than 90 days overdue). When there is evidence that an amount will not be collected it is provided for and then written off. If receivables are subsequently recovered the amounts are credited against other expenses in the statement of comprehensive income when collected.

The individually impaired receivables mainly relate to ineligible patients without insurance and external contract value dispute.

Ageing of past due but not impaired as well as impaired trade receivables are disclosed in the following tables:

2016	Neither past due nor impaired $'000	Past due but not impaired $'000	Impaired $'000	Gross receivables $'000	Allowance for impairment $'000	Net receivables $'000
Trade receivables						
Not yet due	-	-	-	-	-	-
Less than 30 days	136	-	-	-	-	136
30 to 60 days	-	126	-	-	-	126
60 to 90 days	-	108	1	-	(1)	108
More than 90 days	-	-	345	-	(345)	-
Total	136	234	347	-	(347)	371

2015	Neither past due nor impaired $'000	Past due but not impaired $'000	Impaired $'000	Gross receivables $'000	Allowance for impairment $'000	Net receivables $'000
Trade receivables						
Not yet due	-	-	-	-	-	-
Less than 30 days	559	-	-	-	-	559
30 to 60 days	-	69	-	-	-	69
60 to 90 days	-	22	21	-	(21)	22
More than 90 days	-	-	348	-	(348)	-
Total	559	91	369	-	(369)	650

The movement in the allowance for impairment in respect of trade receivables during the year is as follows:

	2016 $'000	2015 $'000
Balance at beginning of the financial year	**(369)**	(205)
Amounts written-off during the year	**215**	(310)
Amounts recovered during the year		
Increase in allowance recognised in operating result	**(193)**	146
Balance at the end of the financial year	**(347)**	(369)

B3 INVENTORIES

	2016 $'000	2015 $'000
Clinical supplies and equipment	**945**	1,000
Other	**4**	3
	949	1,003

Inventories

Inventories consist mainly of clinical supplies and pharmaceuticals held for distribution to hospital and health service facilities. Inventories are measured at weighted average cost, adjusted for obsolescence. Unless material, inventories do not include supplies held for ready use in the wards throughout the hospital and health service facilities.

B4 OTHER ASSETS

	2016 $'000	2015 $'000
Payroll deposit holding	**-**	2,200
Other prepayments	**14**	-
	14	2,200

B5 PROPERTY, PLANT AND EQUIPMENT

B5-1 BALANCES AND RECONCILIATION OF CARRYING AMOUNTS

	Land (at fair value) $'000	Buildings (at fair value) $'000	Plant and equipment (at cost) $'000	Capital works in progress (at cost) $'000	Total $'000
Year ended 30 June 2015					
Opening net book value	6,451	99,458	5,273	135	111,317
Acquisitions	-	-	911	631	1,542
Disposals	-	(94)	(108)	-	(202)
Revaluation decrements	-	(1,042)	-	-	(1,042)
Transfer of assets to/ from Department of Health	(2,169)	(3,941)	27	-	(6,083)
Depreciation expense	-	(6,806)	(988)	-	(7,794)
Carrying amount at 30 June 2015	4,282	87,574	5,115	766	97,736
At 30 June 2015					
At cost/fair value	4,282	209,141	11,069	766	225,258
Accumulated depreciation	-	(121,566)	(5,956)	-	(127,522)
	4,282	87,575	5,113	766	97,736
Year ended 30 June 2016					
Opening net book value	**4,282**	**87,575**	**5,113**	**766**	**97,736**
Acquisitions	**2**	**1,368**	**2,109**	**5,940**	**9,419**
Disposals	**-**	**(32)**	**(10)**	**-**	**(42)**
Revaluation increments	**-**	**-**	**-**	**-**	**-**
Revaluation decrements	**-**	**-**	**-**	**-**	**-**
Transfer of assets from Department of Health	**-**	**-**	**122**	**-**	**122**
Transfer of assets to Department of Health	**-**	**-**	**-**	**-**	**-**
Depreciation expense	**-**	**(6,904)**	**(1,089)**	**-**	**(7,993)**
Carrying amount at 30 June 2016	**4,284**	**82,007**	**6,245**	**6,706**	**99,242**
At 30 June 2016					
At cost/fair value	**4,284**	**210,008**	**12,843**	**6,704**	**233,839**
Accumulated depreciation	**-**	**(128,001)**	**(6,596)**	**-**	**(134,597)**
	4,284	**82,007**	**6,247**	**6,704**	**99,242**

NB: *adjustments have been made to accumulated depreciation to recognise assets transferred in and out of NWHHS.*

B5-2 ACCOUNTING POLICIES

Property, Plant and Equipment

Recognition threshold for property, plant and equipment

Items of a capital nature with a cost or other value equal to or more than the following thresholds and with a useful life of more than one year are recognised at acquisition. Items below these values are expensed.

Class	Threshold
Land	$1
Buildings and Land Improvements	$10,000
Plant and Equipment	$5,000

The HHS has a comprehensive annual maintenance program for its buildings. Expenditure is only capitalised if it increases the service potential or useful life of the existing asset. Maintenance expenditure that merely restores original service potential (arising from ordinary wear and tear) is expensed.

Acquisition of Assets

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use. Any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government entity (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised at the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at date of acquisition in accordance with AASB 116 Property, Plant and Equipment.

Subsequent measurement of property, plant and equipment

Land and buildings are subsequently measured at fair value as required by Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and accumulated impairment losses where applicable. The cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

Plant and equipment is measured at cost and accumulated depreciation and accumulated impairment losses in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts for such plant and equipment at cost is not materially different from their fair value.

Revaluations of non-current physical assets

Land and buildings are measured at fair value in accordance with AASB 116 Property, Plant and Equipment, AASB 13 Fair Value Measurement and Queensland Treasury and Trade's Non-Current Asset Policies for the Queensland Public Sector (NCAP).

These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and impairment losses where applicable.

In respect of the abovementioned asset classes, the cost of items acquired during the financial year has been judged by management to materially represent their fair value at the end of the reporting period.

Plant and equipment, is measured at cost in accordance with NCAP. The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Comprehensive revaluations are undertaken at least once every five years. However if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practical, regardless of the timing of the last specific appraisal.

Materiality concepts (according to the Framework for the Preparation and Presentation of Financial Statements) are considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

The fair values reported by NWHHS are based on appropriate valuation techniques that maximises the use of available and relevant observable inputs and minimise the use of unobservable inputs.

Reflecting the specialised nature of health service buildings and on hospital-site residential facilities, fair value is determined using depreciated replacement cost methodology. Depreciated replacement cost is determined as the replacement cost adjusted for the cost to bring an asset to current standards. Buildings are measured at fair value by applying either, a revised estimate of individual asset's depreciated replacement cost, or an interim index which approximates movement in market prices for labour and other key resource inputs, as well as changes in design standards as at reporting date. These estimates are developed by independent quantity surveyors.

In determining the replacement cost of each building, the estimated replacement cost of the asset, or the likely cost of construction including fees and on costs if tendered on the valuation date is assessed. This is based on internal records of the original cost, adjusted for more contemporary design/construction approaches and current construction contracts. Assets are priced using Brisbane rates with published industry benchmark location indices applied. Revaluations are then compared and assessed against current construction contracts for reasonableness. The valuation assumes a replacement building will provide the same service function and form (shape and size) as the original building but built consistent with current building standards. Area estimates were compiled by measuring floor areas of Project Services e-plan room or drawings obtained from NWHHS. Refurbishment costs were derived from specific projects and are therefore indicative of actual costs.

Significant judgement is also used to assess the remaining service potential of the facility, given local climatic and environmental conditions and records of the current condition of the facility.

The 'cost to bring to current standards' is the estimated cost of refurbishing the asset to bring it to current design standards and in an "as" new condition. This estimated cost is linked to the condition factor of the building assessed by the quantity surveyor. It is also representative of the deemed remaining useful life of the building. The condition of the building is based on visual inspection, asset condition data, guidance from asset managers and previous reports.

In assessing the condition of a building the following ratings (International Infrastructure Management Manual) were applied:

Category	Condition
1	Very good condition - only normal maintenance required. Generally newly constructed assets that have no backlog maintenance issues
2	Minor defects only - minor maintenance required or the asset is not built to the same standard as equivalent new assets (such as IT cabling, complying with new regulations such as the Disability Discrimination Act). Refurbishment is approximately 5% of replacement cost.
3	Largely still in good operational state however maintenance required to return to acceptable level of service - Significant maintenance required up to 50% of capital replacement cost
4	Requires renewal - complete renewal of internal fit-out and engineering services required (up to 70% of capital replace cost)
5	Asset unserviceable - complete asset replacement required. Asset's value is nil.

Valuations assume a nil residual value. Significant capital works, such as a refurbishment across multiple floors of a building, will result in an improved condition assessment and higher depreciated replacement values. This increase is typically less than the original capitalised cost of the refurbishment, resulting in a small write down. Presently all major refurbishments are funded by the Department of Health.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis progressively over its estimated useful life to the HHS. Land is not depreciated. Assets under construction (work-in-progress) are not depreciated until they are ready for use.

Key Judgement: Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the NWHHS.

Key estimate - Management estimates the useful lives and residual values of property, plant and equipment based on the expected period of time over which economic benefits from use of the asset will be derived. Management reviews useful life assumptions on an annual basis

having given consideration to variables including historical and forecast usage rates, technological advancements and changes in legal and economic conditions. NWHHS has assigned nil residual values to all depreciable assets.

For each class of depreciable assets, the following useful lives were used:

Class	Useful Life
Buildings and Improvements	30 – 80 years
Plant and Equipment	3 – 7 years

Impairment of non-current assets

Key Judgement and Estimate: All non-current physical are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, management determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

B5-3 VALUATION

Land

Land is measured at fair value using independent revaluations, desktop market revaluations or indexation by the State Valuation

Service (SVS) within the Department of Natural Resources and Mines. Independent revaluations are performed with sufficient regularity to ensure assets are carried at fair value. Management determined that the fair value of land provided by the SVS as at 30 June 2015 has not significantly changed and the current fair value materially reflects its carrying amount at 30 June 2016.

Buildings

NWHHS engaged independent quantity surveyors, Davis Langdon Australia Pty Ltd (Davis Langdon) to comprehensively revalue all buildings exceeding a predetermined materiality threshold, and calculate relevant indices for all other assets, progressively over a maximum five year period. In determining the values reported in the accounts for NWHHS buildings we have relied on the information provided by the independent valuers and quantity surveyors. All buildings have been valued within the specified time frame with the last comprehensive revaluation taking place as at 30 June 2015. Management reviewed relevant indices for building assets as at 30 June 2015 and determined that the current fair value materially reflects its carrying amount at 30 June 2016.

B5-4 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date under current market conditions (ie. an exit price) regardless of whether the price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued, and include, but are not limited to, published sales data for land.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by NWHHS include, but are not limited to, subjective adjustments made to observable data to take account of the specialised nature of health service buildings and on hospital-site residential facilities, including historical and current construction contracts (and/or estimates of such costs), and assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities of NWHHS for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1: represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2: represents fair value measurements that are substantially derived from inputs (other than quoted prices included in level 1) that are observable, either directly or indirectly; and
- Level 3: represents fair value measurements that are substantially derived from unobservable inputs.

None of NWHHS's valuations of assets are eligible for categorisation into level 1 of the fair value hierarchy and there were no transfer of assets between fair value hierarchy levels during the period.

NWHHS has classified land and buildings into the three levels prescribed under the accounting standards

	Level 2 $'000	Level 3 $'000	Total $'000
2015			
Land	4,283	-	4,283
Buildings	864	86,711	87,575
Fair value at 30 June 2015	5,147	86,711	91,858
2016			
Land	4,284		4,284
Buildings	791	81,216	82,007
Fair value at 30 June 2016	5,075	81,216	86,291

The following table details a reconciliation of level 3 movements:

	Buildings $'000	Total $'000
Fair value at 30 June 2014	94,746	94,746
Transfers out	(153)	(153)
Depreciation	(6,839)	(6,839)
Gains recognised in other comprehensive income:		-
Increase in asset revaluation reserve	(1,043)	(1,043)
Fair value at 30 June 2015	86,711	86,711
Fair value at 30 June 2015	**86,711**	**86,711**
Additions	**1,368**	**1,368**
Transfers in (work-in-progress)	**44**	**44**
Depreciation	**(6,863)**	**(6,863)**
Fair value at 30 June 2016	**81,260**	**81,260**

B6 PAYABLES

These amounts represent liabilities for goods and services provided to NWHHS prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and accruals are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	2016 $'000	2015 $'000
Trade payables	**5,262**	9,421
Other	**1**	-
	5,263	9,421

B7 ACCRUED EMPLOYEE BENEFITS

	2016 $'000	2015 $'000
Accrued employee benefits	**2,928**	2,519
Total	**2,928**	2,519

B8 CONTRIBUTED EQUITY

	2016 $'000	2015 $'000
Opening balance at beginning of year	**89,965**	102,313
Non-appropriated equity injections		
Minor capital funding	**1,528**	869
Capital acquisition plan projects		657
Non-appropriated equity withdrawals		
Depreciation funding	**(7,993)**	(7,794)
Non-appropriated equity asset transfers	**122**	(6,079)
Major capital works projects	**11,723**	-
Balance at the end of the financial year	**95,345**	89,965

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of-government changes are adjusted to contributed equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

NWHHS receives funding from DoH to cover depreciation costs. However, as depreciation is a non-cash expenditure item, the Minister of Health has approved a withdrawal of equity by the State for the same amount, resulting in non-cash revenue and non-cash equity withdrawal.

B9 ASSET REVALUATION SURPLUS BY CLASS

	2016 $'000	2015 $'000
Land		
Balance at the beginning of the financial year	**1,538**	1,538
Revaluation increments/(decrements)	-	
Impairment gain/(loss) through equity		
	1,538	1,538
Buildings		
Balance at the beginning of the financial year	**8,029**	9,072
Revaluation increments/(decrements)		(1,043)
Impairment gain/(loss) through equity		
	8,029	8,029
Balance at the end of the financial year	**9,567**	9,567

NOTES ABOUT RISKS AND OTHER ACCOUNTING UNCERTAINTIES

C1 FINANCIAL RISK MANAGEMENT

NWHHS is exposed to a variety of financial risks – credit risk, liquidity risk and market risk. NWHHS holds the following financial instruments by category:

	Note	2016 $'000	2015 $'000
Financial assets			
Cash and cash equivalents	B1-1	**2,153**	7,847
Receivables	B2-1	**7,301**	1,938
Total		**9,454**	9,785
Financial liabilities			
Financial liabilities at amortised cost - comprising:			
Payables	B6-1	**5,263**	9,421
Total		**5,263**	9,421

(a) Credit Risk

Credit risk is the potential for financial loss arising from a counterparty defaulting on its obligations. The maximum exposure to credit risk at balance date is equal to the gross carrying amount of the financial asset, inclusive of any allowance for impairment. The carrying amount of financial assets, which are disclosed in more detail in notes B1 and B2, represent the maximum exposure to credit risk at the reporting date.

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired and are stated at the carrying amounts as indicated.

There are no significant concentrations of credit risk.

Overall credit risk is considered minimal.

(b) Liquidity risk

Liquidity risk is the risk that NWHHS will not have the resources required at a particular time to meet its obligations to settle its financial liabilities.

North West Hospital and Health Service is exposed to liquidity risk through its trading in the normal course of business. NWHHS aims to reduce the exposure to liquidity risk by ensuring that sufficient funds are available to meet employee and supplier obligations at all times.

Under the whole-of-government banking arrangements, NWHHS has an approved working debt facility of $1.5M (2015: $1.5M) to manage any short-term cash shortfalls. This facility has not been drawn down as at 30 June 2016.

Due to the short-term nature (less than 12 months) of the current payables, their carrying amount is assumed to approximate the total contractual cash flow.

(c) Interest rate risk

NWHHS is exposed to interest rate risk on its cash deposited in interest bearing accounts with Queensland Treasury Corporation.

NWHHS does not undertake any hedging in relation to interest rate risk.

Changes in interest rate have a minimal effect on the operating result of NWHHS.

(d) Fair value measurement

Cash and cash equivalents are measured at fair value. All other financial assets or liabilities are measured at cost less any allowance for impairment, which given the short term nature of these assets, is assumed to represent fair value.

C2 CONTINGENCIES

(e) **Litigation**

As at 30 June 2016, there were no cases filed in the courts naming the State of Queensland acting through the North West Hospital and Health Service as defendant (2015: 15 cases).

Health litigation is underwritten by the Queensland Government Insurance Fund (QGIF). NWHHS liability in this area is limited to an excess per insurance event. The maximum exposure to NWHHS under this policy is up to $20,000 for each insurable event.

C3 COMMITMENTS

NWHHS has non-cancellable operating leases relating predominantly to office and residential accommodation and vehicles. Lease payments are generally fixed, but with escalation clauses on which contingent rentals are determined. No lease arrangements contain restrictions on financing or other leasing activities.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2016 $'000	2015 $'000
No later than 1 year	3,524	3,790
Later than 1 year but no later than 5 years	1,355	1,287
Later than 5 years	-	-
Total	4,879	5,077

From 1 July 2015 a total of 93 residential properties transferred from the North West Hospital and Health Service, via the Department of Health to the Department of Housing and Public Works, and were subsequently leased back to the health service.

Operating lease commitments includes contracted amounts for various residential properties, warehouses, offices and plant and equipment under non-cancellable operating leases expiring within 1 and 5 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

KEY MANAGEMENT PERSONNEL

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of NWHHS, directly or indirectly, including any Board members of NWHHS. The following persons were considered key management personnel of NWHHS during the current financial year:

Position	Name	Contract classification and appointment authority	Initial Appointment Date
Non-executive Director – Board Chair	Paul Woodhouse	*Hospital and Health Boards Act 2011*	1 July 2012
Non-executive Director – Deputy Board Chair	Annie Clarke	*Hospital and Health Boards Act 2011*	9 November 2012
Non-executive Director – Board Member	Don Bowley OAM	*Hospital and Health Boards Act 2011*	1 July 2012
	Rowena McNally	*Hospital and Health Boards Act 2011*	1 July 2012
	Richard Stevens OAM	*Hospital and Health Boards Act 2011*	1 July 2012
	Christopher Appleby	*Hospital and Health Boards Act 2011*	9 November 2012
	Karen Arbouin	*Hospital and Health Boards Act 2011*	17 May 2013
	Ronald Page	*Hospital and Health Boards Act 2011*	17 May 2013
	Dr Kathryn Panaretto	*Hospital and Health Boards Act 2011*	18 May 2016
	Dallas Leon	*Hospital and Health Boards Act 2011*	18 May 2016
Chief Executive - Responsible for the overall management of North West Hospital and Health Service through functional areas to ensure the delivery of hospital and health service objectives.	Susan Belsham	S24/S70 *Hospital and Health Boards Act 2011*	30 July 2012 to 18 January 2016
	Terry Mehan (Acting)	S24/S70 Hospital and Health Boards Act 2011	18 January 2016 to 18 May 2016
	Lisa Davies-Jones	S24/S70 Hospital and Health Boards Act 2011	18 May 2016
Chief Finance Officer - Responsible for the overall financial management of North West Hospital and Health Service, including budgeting, activity based funding measurement and departmental relationship management.	Brett Oates	HES-2 *Hospital and Health Boards Act 2011*	11 February 2013 to 24 May 2015 18 January 2016 to 30 June 2016
	Lucy Dungavell (Acting)	HES-2 *Hospital and Health Boards Act 2012*	25 May 2015 – 18 January 2016
Chief Operating Officer - Responsible for the delivery of non-clinical support services, including building, engineering and maintenance services, capital infrastructure and contract management.	Barbara Davis	DOS1-1 *Hospital and Health Boards Act 2011*	1 July 2012
Executive Director Medical Services - Responsible for the overall management and coordination of medical services for the Mount Isa hospital.	Associate Professor Alan Sandford	MMOI-3 *District Health Services Senior Medical Officers*	5 May 2014
Executive Director Nursing Services - Responsible for the professional leadership of nursing services for the Mount Isa Hospital as well as the operational management of the nine outlier facilities and acute areas of the	Michelle Garner	NRG11 *Queensland Health Nurses and Midwives Award 2012*	1 July 2012

Mount Isa Hospital.			
Executive Director People and Performance - Responsible for providing strategic leadership and operational control of human resource and quality functions and to provide management and high level authoritative advice and support on all matters relating to the performance of the HHS.	Leigh Purvis	DOS1-1 *Hospital and Health Boards Act 2011*	7 April 2014
	Jacqui Wynne-Jones (Acting)	DOS1-1 Hospital and Health Boards Act 2011	12 October 2015

Remuneration comprises the following components:

- Short-term employee benefits which include:
  - ***Base*** – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income
  - ***Non-monetary benefits*** – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit
- Long-term employee benefits include long service leave accrued
- Post-employment benefits include superannuation contributions
- Termination payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination, regardless of the reason for termination.
- There was no performance bonuses paid in the 2015-16 financial year (2015: $nil).
- Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

2016

Name	Short-term benefits		Long term benefits	Post employee benefits	Termination benefits	Total remuneration
	Base	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
Paul Woodhouse	70	27	0	0	0	97
Annie Clarke	30	0	0	3	0	33
Rowena McNally	34	0	0	3	0	37
Richard Stevens	34	0	0	3	0	37
Christopher Appleby	37	0	0	3	0	40
Karen Arbouin	36	0	0	3	0	39
Ronald Page	16	0	0	3	0	19
Susan Belsham	116	7	1	7	127	258
Terry Mehan	129	7	2	12	0	150
Lisa Davies-Jones	27	2	1	3	0	33
Brett Oates	83	20	2	8	0	113
Lucy Dungavell	79	16	1	5	0	101
Barbara Davis	143	39	3	17	0	202
Assoc. Prof Alan Sandford	663	51	13	46	0	773
Michelle Garner	184	32	3	19	0	238
Leigh Purvis	132	28	2	10	171	343
Jacqui Wynne-Jones	22	3	0	2	0	27

North West Hospital and Health Service

2015

Name	Short-term benefits		Long term benefits	Post employee benefits	Termination benefits	Total remuneration
	Base	Non-monetary benefits				
	$'000	$'000	$'000	$'000	$'000	$'000
Paul Woodhouse	71	14	-	7	-	**92**
Annie Clarke	35	-	-	3	-	**38**
Stephanie De La Rue	12	-	-	1	-	**13**
Rowena McNally	39	-	-	4	-	**43**
Richard Stevens	39	-	-	4	-	**43**
Christopher Appleby	38	-	-	3	-	**41**
Karen Arbouin	37	-	-	4	-	**41**
Ronald Page	35	-	-	3	-	**38**
Susan Belsham	234	11	5	21	-	**271**
Brett Oates	136	25	3	13	-	**177**
Lucy Dungavell	19	3	-	5	-	**27**
Barbara Davis	118	32	2	14	-	**166**
Assoc. Prof Alan Sandford	572	46	11	42	-	**671**
Michelle Garner	164	34	3	16	-	**217**
Leigh Purvis	141	24	3	16	-	**184**

OTHER INFORMATION

E1 PATIENT TRUST FUNDS

NWHHS acts in a fiduciary trust capacity in relation to patient trust accounts. Consequently, these transactions and balances are not recognised in the financial statements but are disclosed below for information purposes. Although patient funds are not controlled by NWHHS, trust activities are included in the audit performed annually by the Auditor-General of Queensland.

	2016 $'000	2015 $'000
Patient trust funds		
Opening balance	**44**	55
Patient fund receipts	**23**	7
Patient fund related payments	**(34)**	(18)
Closing balance	**33**	44

E2 TAXATION

NWHHS is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only Commonwealth taxes recognised by NWHHS.

Both NWHHS and the Department of Health satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999 (Cth)* (the GST Act) and were able, with other hospital and health services, to form a "group" for GST purposes under Division 149 of the GST Act. This means that any transactions between the members of the "group" do not attract GST.

E3 FIRST YEAR APPLICATION OF NEW STANDARDS OR CHANGE IN POLICY

Changes in accounting policy

The HHS did not voluntarily change any of its accounting policies during 2015-16.

Accounting standards early adopted for 2015-16

Two Australian Accounting Standards have been early adopted for the 2015-16 year as required by Queensland Treasury. These are:

AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049

The amendments arising from this standard seek to improve financial reporting by providing flexibility as to the ordering of notes, the identification and location of significant accounting policies and the presentation of sub-totals, and provides clarity on aggregating line items. It also emphasizes only including material disclosures in the notes. The HHS has applied this flexibility in preparing the 2015-16 financial statements, including co-locating significant accounting policies with the related breakdowns of financial figures in the notes.

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB 13]

This standard amends AASB 13 Fair Value Measurement and provides relief to not-for-profit public sector entities from certain disclosures about property, plant and equipment that is primarily held for its current service potential rather than to generate future net cash inflows. The relief applies to assets under AASB 116 Property, Plant and Equipment which are measured at fair value and categorised within Level 3 of the fair value hierarchy).

As a result, the following disclosures are no longer required for those assets. In early adopting the amendments, the following disclosures have been removed from the 2015-16 financial statements:

- disaggregation of certain gains/losses on assets reflected in the operating result;
- quantitative information about the significant unobservable inputs used in the fair value measurement ; and
- a description of the sensitivity of the fair value measurement to changes in the unobservable inputs.

Accounting Standards Applied for the First Time in 2015-16

No new Australian Accounting Standards effective for the first time in 2015-16 had any material impact on this financial report.

E4 FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards issued but with future commencement dates are set out below:

AASB 124 - Related Party Disclosures

From reporting periods beginning on or after 1 July 2016, the HHS will need to comply with the requirements of AASB 124 Related Party Disclosures. That accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities, and relationships between parent and controlled entities. The HHS already discloses information about the remuneration expenses for key management personnel (refer to Note D) in compliance with requirements from Queensland Treasury. Therefore, the most significant implications of AASB 124 for the HHS's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel or close members of their families.

AASB 15 Revenue from Contracts with Customers

This Standard will become effective from reporting periods beginning on or after 1 January 2018 and contains much more detailed requirements for the accounting for certain types of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of the HHS's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that the HHS has received cash but has not met its associated obligations

(such amounts would be reported as a liability (unearned revenue) in the meantime). The HHS is yet to complete its analysis of current arrangements for sale of its goods and services, but at this stage does not expect a significant impact on its present accounting practices.

AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

These Standards will become effective from reporting periods beginning on or after 1 January 2018. The main impacts of these standards on the HHS are that they will change the requirements for the classification, measurement, impairment and disclosures associated with the HHS's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.

The HHS is yet to fully assess the impact of these standards, however, given the nature of and limited extent of financial instruments held, the impact is expected to be minimal.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the NWHHS's activities, or have no material impact on the department.

AASB 16 Leases

This Standard will become effective for reporting periods beginning on or after 1 January 2019. When applied, the standard supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases – Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Impact for Lessees*
Unlike AABS 117 *Leases*, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.
In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the statement of financial position under AASB 16. There will be a significant increase in assets and liabilities for agencies that lease assets. The impact on the reported assets and liabilities would be largely in proportion to the scale of the agency's leasing activities.
The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the commencement date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.
The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.
AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. If a lessee chooses to apply the 'cumulative approach', it does not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application. The Department will await further guidance from Queensland Treasury on the transitional accounting method to be applied.
The NWHHS has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosure required.

E5 SUBSEQUENT EVENTS
There are no matters or circumstances that have arisen since 30 June 2016 that have significantly affected, or may significantly affect NWHHS's operations, the results of those operations, or the HHS's state of affairs in future financial years.

BUDGETARY REPORTING DISCLOSURES

NB: A budget versus actual comparison and explanation of major variances has not been included for the statement of changes in equity, as major variances relating to that statement have been addressed in explanation of major variances in the other statements.

a) Statement of comprehensive income

	Note	Actual 2016 $'000	Budget 2016 $'000	Variance $'000	Variance %
Income					
User charges and fees		**155,879**	**145,211**	10,668	7%
Grants and other contributions	**(a)**	**2,284**	**3,367**	(1,083)	(47%)
Other revenue		**902**	**223**	679	75%
Total income		**159,065**	**148,801**	10,264	
Expenses					
Employee expenses	**(b)**	**83,253**	**74,624**	8,629	10%
Supplies and services	**(c)**	**67,201**	**64,953**	2,248	3%
Grants and subsidies		**320**		320	100%
Depreciation		**7,993**	**8,498**	(505)	(6%)
Impairment losses		**194**	**104**	90	46%
Other expenses		**2,242**	**622**	1,620	72%
Total expenses		**161,203**	**148,801**	12,402	
Operating result		**(2,138)**	-	(2,138)	
Other comprehensive income					
Items that will not be subsequently reclassified to operating result					
Increase/(decrease) in asset revaluation surplus		-		-	0%
Total other comprehensive income		-	-	-	
Total comprehensive income	**(d)**	**(2,138)**	-	(2,138)	

b) Statement of financial position

	Note	Actual 2016 $'000	Budget 2016 $'000	Variance $'000	Variance %
Current assets					
Cash and cash equivalents	(e)	**2,153**	**7,260**	(5,107)	(237%)
Receivables	(f)	**7,301**	**4,264**	3,037	42%
Inventories	(g)	**949**	**526**	423	45%
Other		**14**	**26**	(12)	(86%)
Total current assets		**10,417**	**12,076**	(1,659)	
Non-current assets					
Property, plant and equipment	(h)	**99,242**	**142,818**	(43,576)	(44%)
Total non-current assets		**99,242**	**142,818**	(43,576)	
Total assets		**109,659**	**154,894**	(45,235)	
Current Liabilities					
Payables	(i)	**5,263**	**9,418**	(4,155)	(79%)
Accrued employees benefits	(j)	**2,928**	**50**	2,878	98%
Unearned revenue		**-**		-	0%
Total current liabilities		**8,191**	**9,468**	(1,277)	
Total liabilities		**8,191**	**9,468**	(1,277)	
Net assets		**101,468**	**145,426**	(43,958)	
Equity					
Contributed equity		**95,346**			
Accumulated surplus		**(3,445)**			
Asset revaluation surplus		**9,567**			
Total equity		**101,468**	**145,426**	(43, 958)	

c) Statement of cash flows

	Note	Actual 2016 $'000	Budget 2016 $'000	Variance $'000	Variance %
Cash flows from operating activities					
Inflows:					
User charges and fees		**142,120**	**145,160**	(3,040)	(2%)
Grants and other contributions	(k)	**2,284**	**3,367**	(1,083)	(47%)
GST collected from customers		**-**		-	0%
GST input tax credits from ATO		**(139)**		(139)	100%
Other		**1,376**	**4,454**	(3,078)	(224%)
Outflows:					
Employee expenses	(l)	**(83,386)**	**(74,624)**	(8,762)	11%
Health service employee expenses		**(1,125)**		(1,125)	100%
Supplies and services		**(68,205)**	**(71,998)**	3,793	(6%)
Grants and subsidies		**(394)**		(394)	100%
GST paid to suppliers		**-**		-	0%
GST remitted to ATO		**(33)**		(33)	100%
Other		**(2,025)**	**(622)**	(1,403)	69%
Net cash from/(provided by) operating activities		**(9,527)**	**5,737**	(15,264)	
Cash flows from investing activities					
Inflows:					
Sales of property, plant and equipment		**33**		33	100%
Outflows:					
Payments for property, plant and equipment	(m)	**(9,451)**	**(1,498)**	(7,953)	84%
Net cash from/(used by) investing activities		**(9,418)**	**(1,498)**	(7,920)	
Cash flows from financing activities					
Inflows:					
Equity injections	(n)	**13,251**	**1,498**	11,753	89%
Outflows:					
Equity withdrawals		**-**	**(8,498)**	8,498	0%
Net cash from/(used by) financing activities		**13,251**	**(7,000)**	20,251	
Net increase/(decrease) in cash and cash equivalents		**(5,694)**	**(2,761)**	(2,933)	
Cash and cash equivalents at the beginning of the financial year		**7,847**	**10,021**	(2,174)	(28%)
Cash and cash equivalents at the end of the financial year		**2,153**	**7,260**	(5,107)	

Explanation of major variances:
Major variances are considered to be variances that are material within the 'Total' line item that the item falls within and a variance of 5% on expenses (employee expense and other supplies and services) and for payments of property, plant and equipment and 10% for all other material line items.

(a) The decrease is due to the reclassification of funding for the Multi-purpose health service now classified as user charges and fees.

(b) The increase is due to new funded positions as well as enterprise bargaining agreements including the major additional cost of the translation to the Medical Officer Certified Agreement 4 contracts for Medical Professionals.

(c) The increase relates to the increased cost of services to NWHHS. Mainly, this increase is due to the external radiology services provided to North West Hospital and Health Service.

(d) The 2015-16 deficit is primarily due to activity based funding reduction due to inability to meet purchased activity due to the decreased demand on hospital provided services, as well as increased costs relating to changes in Medical Contracts and Certified Agreements.

(e) The decrease is caused by the deficit for North West Hospital and Health Service, unpredicted at the onset of the financial year. Drivers of the deficit include a to funding reduction due to inability to meet purchased activity due to the decreased demand on hospital provided services, as well as increased costs relating to changes in Medical Contracts and Certified Agreements.

(f) The increase is due to end of year funding accrual of $6.1M.

(g) The increase relates to the impact of improved stocktake measures and revised treatment of stock on hand treatment in accordance with accounting standards.

(h) The decrease relates to revised scheduling of the transfer of property, plant and equipment by the department in line with Capital Acquisition plan.

(i) The budget figure for payables was based on historical figures however payables at year end was reduced due to improved accounts payable processes.

(j) Accrued employee benefits is higher then budget due to the timing of payroll period processing and this was not considered in the budget process.

(k) The decrease is due to the reclassification of funding for the Multi-purpose health service provided by North West Hospital and Health Service now classified as user charges and fees.

(l) The increase is due to new funded positions as well as enterprise bargaining agreements including the major additional cost of the translation to the Medical Officer Certified Agreement 4 contracts for Medical Professionals.

(m) The increase is caused by the investment in the Mt Isa Campus Redevelopment which was not included in the original budget

(n) The increase is caused by funding received for the Mt Isa Campus Redevelopment which was not included in the original budget.

MANAGEMENT CERTIFICATE

These general purpose financial statements have been prepared pursuant to Section 62(1) of the *Financial Accountability Act 2009* (the Act), Section 43 of the Financial and *Performance Management Standard 2009* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act, we certify that in our opinion:

(a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;

(b) these financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of North West Hospital and Health Service for the financial year ended 30 June 2016 and of the financial position of the Service at the end of the year; and

(c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.

Mr Paul Woodhouse
Chair
26 August 2016

Ms Lisa Davies Jones
Chief Executive
26 August 2016

INDEPENDENT AUDITOR'S REPORT

To the Board of North West Hospital and Health Service

Report on the Financial Report

I have audited the accompanying financial report of North West Hospital and Health Service, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and certificates given by the Chair and Chief Executive.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

(a) I have received all the information and explanations which I have required; and

(b) in my opinion –

  (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and

  (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the North West Hospital and Health Service for the financial year 1 July 2015 to 30 June 2016 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

QUEENSLAND
31 AUG 2016
AUDIT OFFICE

D J OLIVE FCPA
(as Delegate of the Auditor-General of Queensland)

Queensland Audit Office
Brisbane