

Submission: Inquiry into the Financial and Operational Performance of the Department of Health

1. Overview

COTA Tasmania welcomes the opportunity to contribute to this inquiry.

Accessible and timely health care is consistently among the most important issues raised by older Tasmanians through our community engagement. Getting health needs and access right is therefore central to whether Tasmania can support people to age well, remain independent and participate in their communities.

Our submission focuses on the Department's financial and operational performance, budgetary control measures and the suitability and effectiveness of its Key Performance Information.

We do not seek to provide a general catalogue of health service concerns.

Our central proposition is that financial performance cannot be assessed credibly unless Parliament can see what expenditure and savings decisions mean for access, outcomes and continuity of care across Tasmania's ageing and geographically dispersed population.

Tasmania has the oldest population profile of any state or territory. The 2021 Census recorded a median age of 42 years, compared with 38 nationally, and 37.5 per cent of Tasmanians reported at least one long term health condition. Population ageing, service complexity and growing demand are expressly identified in the 2026-27 Budget as structural pressures on expenditure.

These are not marginal considerations. They should shape how the Department plans, allocates resources and reports performance.

Older people are also more likely to interact with several parts of the health and care system at once. A hospital episode may depend on access to a general practitioner, specialist, pharmacy, rehabilitation, community nursing, home support, residential aged care, disability support and an unpaid carer.

Performance measured within a single service silo can therefore appear satisfactory while the person's overall pathway is delayed, unsafe or unaffordable.

COTA Australia's State of the Older Nation 2025 research reinforces what we hear locally. Almost all older Australians surveyed had accessed health or medical care in the previous year, yet 46 per cent experienced some difficulty obtaining the services they needed.

Among those encountering difficulty, cost (56 per cent) and long waiting lists (55 per cent) were the leading barriers; waiting-list problems were especially evident in Tasmania and regional areas. This makes prevention and timely access—not only acute activity—essential tests of performance.

2. About COTA Tasmania

COTA Tasmania is the peak body representing the interests of older Tasmanians. We work to ensure that ageing is understood as a whole of community issue and that older people can participate fully in social, economic and civic life.

Our interest in this inquiry arises from the central importance of accessible, timely and coordinated health care to older people, people ageing with disability and the family members and unpaid carers who support them.

3. Recommendations

#	Recommendation	What this should require
1	Adopt a population based performance framework	Publish disaggregated datasets on access, timeliness, outcomes and experience by age and region, and where relevant by disability, dementia or cognitive impairment, socioeconomic disadvantage and other factors associated with unequal access or outcomes.
2	Require an impact and benefits framework for major efficiency measures	For each material saving or service redesign, publish the baseline, saving mechanism, expected service and workforce effects, implementation milestones, risks, offsets and realised results.
3	Measure transitions and cost shifting	Add indicators covering delayed discharge, medically ready patients awaiting aged care or disability supports, timeliness of post hospital care, preventable readmission and avoidable emergency re-presentation.
4	Measure access rather than activity alone	Complement statewide volumes and averages with waiting time distributions, unmet need and regional availability, including the practical effects of distance, transport and out of pocket costs.
5	Include patient and carer outcomes	Measure whether people understand discharge arrangements, can obtain prescribed follow up care and remain safe and well at home, and whether unpaid carers are properly included and supported.
6	Publish a stable and accessible accountability dashboard	Maintain a concise set of measures over time, explain changes to targets or definitions, show performance against both targets and

		prior years, and involve consumers and community organisations in indicator design.
7	Strengthen fraud control and public assurance	Publish an implementation plan and timeframes for an adequate fraud control framework, with regular assurance on investigations, corrective action and oversight while protecting confidentiality and procedural fairness.

4. Why this matters

4.1 Performance information must reflect the population served

The Department's consolidated 2026-27 performance information contains useful measures of activity and timeliness, including admitted activity, elective surgery, emergency department presentations, outpatient attendances, district hospital activity, community nursing, aged care assessments and ambulance response times.

However, with limited exceptions, these measures are presented as statewide totals or averages. They do not show whether older Tasmanians, people living outside major centres, or people facing multiple forms of disadvantage experience materially different access or outcomes.

Activity is not the same as access, and access is not the same as outcome. A count of outpatient attendances does not show how long people waited, how many remained on a list, how many could not travel to an appointment or whether delayed care resulted in deterioration. Similarly, a statewide average can conceal substantial differences between Hobart, larger regional centres and rural communities.

The current framework also gives Parliament little capacity to assess whether the system is responding to demographic change. Age and region should not be treated as optional analytical breakdowns. They are necessary to understand demand, equity, service design and financial risk, to make timely changes and to plan ahead.

4.2 Efficiency must be tested against system outcomes

The Auditor-General reported that the Department of Health accounted for \$1.37 billion of the \$2.42 billion by which departments collectively exceeded their original budgets over the three years to 2024-25. A limited review also found that current performance reporting did not provide useful insight into the drivers of the Department's overspending. This is precisely the accountability gap the Committee should address: expenditure, activity, access and outcomes must be reported together so that Parliament can determine what drove the result and what value was delivered.

The 2026-27 Budget applies Department of Health operational efficiencies of approximately \$702.6 million over four years: \$131.4 million in 2026-27, rising to \$193.4 million in 2029-30. The Budget describes savings through digital transformation, service redesign, procurement and other changes. COTA Tasmania accepts the need for sound stewardship of public resources. However, an expenditure reduction is not an efficiency merely because it lowers one budget line.

A measure is efficient only if it achieves the intended outcome at lower total cost or produces a better outcome for the resources used. If a saving delays treatment, reduces access to community care, increases emergency presentations, prolongs hospital stays or transfers work and cost to patients, families, carers or another level of government, it may increase rather than reduce the whole of system cost.

The Budget itself illustrates this point. In March 2026, 103 patients were medically ready for discharge but remained in hospital: 94 were waiting for residential aged care and nine for NDIS supports. The State estimated the resulting cost at about \$73 million a year. This is a stark example of why financial and operational performance must be examined together and why cost shifting across program and jurisdictional boundaries must be visible.

Major efficiency initiatives should therefore be accompanied by transparent benefits realisation and impact reporting. Parliament should be able to see what changed, what was saved, what risks emerged and whether service quality, workforce capacity, access or patient outcomes were affected.

4.3 Fraud control requires visible assurance

The Auditor-General also found that the Department did not have an adequate fraud control framework. Two alleged frauds identified internally in 2024-25 had not been investigated and addressed in a timely or adequate manner when the report was drafted, and corrective action remained incomplete. One matter involved estimated incorrect billing of at least \$2.73 million; the other concerned alleged timesheet fraud.

COTA Tasmania does not seek disclosure that would prejudice an investigation, breach privacy or deny procedural fairness. However, weak fraud controls put scarce health resources and public confidence at risk.

The Department should publish an implementation plan for the Auditor-General's recommendations, with clear responsibilities, milestones and periodic assurance to Parliament that allegations are promptly triaged, investigated, resolved and used to improve controls.

4.4 Measure pathways and transitions, not only episodes

or many older Tasmanians, the greatest risks arise between services. These include discharge without timely home support, rehabilitation or medication management; delays while aged care or disability supports are arranged; fragmented communication between hospitals and general practice; and the absence of realistic transport options for follow up care.

The consolidated Budget performance table includes no clear measure of delayed discharge or the quality and timeliness of transition from hospital to home, residential care or another service. The Department may collect delayed-transfer-of-care data operationally; if so, it should be published as a consistent KPI and disaggregated by duration, region, age and the service or support being awaited.

The table also provides no general measure of preventable readmission or post discharge outcomes. Mental health readmission is reported, but the broader transition risks experienced by older patients remain largely invisible.

COTA Tasmania recommends indicators that track the number and duration of stays by medically ready patients awaiting another service; timely completion and communication of discharge plans; access to required follow up within clinically appropriate timeframes; unplanned readmission; avoidable emergency re-presentation; and patient and carer confidence in managing care after discharge.

4.4 Targets must support accountability

The 2026-27 Budget Paper notes that some targets were revised to better reflect current performance and likely future outcomes, and that the subsequent Tasmanian Health Service Annual Service Plan may supersede relevant Budget targets. Targets sometimes need to change, but changes must not weaken accountability or make trends difficult to follow.

The gap between actual performance and several published targets is already very large. In 2024-25, 47.5 per cent of emergency department patients were admitted, referred for treatment or discharged within four hours against a 2026-27 target of at least 90 per cent. Elective surgery timeliness targets are at least 95 per cent in each category, while 2024-25 actual results ranged from 52.7 to 85.3 per cent. Aspirational targets have a role, but without credible milestones and explanation they do not allow the community to judge whether improvement is occurring at the pace promised.

Performance measures and targets should remain comparable over time wherever possible. When a definition, data source or target changes, the reason and effect on comparability should be stated clearly. Reporting should show the baseline, annual milestone, actual result and corrective action, rather than simply replacing one target with another.

5. Conclusion

Tasmania cannot assess the Department of Health's financial and operational performance by expenditure control and service volumes alone. The test is whether public resources produce timely, equitable and sustainable health outcomes for the population the system serves.

COTA Tasmania asks the Committee to recommend a more transparent performance framework that makes older Tasmanians and regional communities visible, tests claimed efficiencies against whole of system outcomes, and reports the transitions where cost, delay and risk so often accumulate.

A smaller set of meaningful and stable measures would give Parliament and the community a clearer view of whether additional investment, savings and service redesign are improving care rather than merely moving costs elsewhere.

References

Australian Bureau of Statistics, Snapshot of Tasmania, 2021 Census; Long-term health conditions, 2021 Census.

COTA Australia, State of the Older Nation 2025, Report Summary, pp. 5, 16-17.

COTA Tasmania, *2025 State of the Older Nation – [Tasmania](#): Briefing Paper (2026) Note - the Tasmanian sample was relatively small and the survey was conducted online; COTA Tasmania therefore uses these findings indicatively rather than as definitive prevalence estimates.*

Department of Treasury and Finance Tasmania, 2026-27 Budget Paper No. 2: Agency Information Supporting Appropriation Bill No. 1, Chapter 5 Health, p. 89 (Operational Efficiencies table).

Department of Treasury and Finance Tasmania, 2026-27 Budget Paper No. 4: Supplementary Budget Reports, Chapter 7 Performance Information: Health, pp. 40-44.

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