

# Clinical placements program

Fees framework  
October 2021



# Contents

---

<b>Overview</b>	<b>3</b>
Objective	3
Background	3
Application	4
Funding context	4
<b>Strong foundations</b>	<b>5</b>
Philosophy	5
Principles	5
<b>Guidelines</b>	<b>7</b>
Considerations in fee determination	7
Cost of placements	7
Fee structures	7
Supervision	8
Alignment with strategic priorities	8
Key characteristics	8
Strategic workforce management	9
Communication	10
Fee arrangements	10
Fee	10
In-kind payment	10
Grant	11
No fee	11
Implementation of fee arrangements	11
Schedule to the Student Placement Deed	11
Record keeping	11
Administrative procedures	12
GST	12
Issues resolution	12
<b>Resources</b>	<b>12</b>

Queensland Health has made a long-term commitment to clinical education and the development of the future health workforce. It is recognised that expertise in healthcare is developed over an extended period and the continuum of education can be tracked from undergraduate teaching through clinical exposure, skills development, and continuing professional development.<sup>1</sup>

## Overview

This framework has been developed to guide fee-setting for clinical placements. The framework considers the context for fee-setting, and the basis on which Queensland Health facilities may charge education providers to receive students on placement. Offering a principles-based approach, these guidelines are intended to support best practice fee-setting for clinical placements in a flexible, responsive, non-prescriptive manner. The framework examines different types of fee arrangements, service types which may carry a fee, and factors which should be considered in fee-setting.

## Objective

The objective of this framework is to provide clinical and Hospital and Health Service (HHS) leadership with best practice guidance in establishing fee arrangements with education providers, for receiving students to undertake clinical placements in Queensland Health facilities.

## Background

In 2020, Queensland Health conducted a review of the clinical placements program's strategic governance, resourcing, risk, and policy frameworks. As part of this review, HHSs and education providers shared their views and experiences in relation to clinical placements fees. The review identified strong stakeholder support for the introduction of a principles-based framework to guide fee setting. Stakeholders considered that this framework should maximise consistency and transparency in fee-setting, while retaining the flexibility necessary to meet the requirements of different professions and locations.

This framework delivers on the recommendation of the review, by providing a comprehensive, practical guide to fee-setting for clinical placements.

---

<sup>1</sup> The State of Queensland (Queensland Health) 2017, *Advancing health service delivery through workforce: A strategy for Queensland 2017-2026*, Queensland Government, viewed 30 June 2020, <[https://www.health.qld.gov.au/data/assets/pdf\\_file/0039/657993/QH959-Advancing-Health-Service-Workforce-publication-WEB-2.pdf](https://www.health.qld.gov.au/data/assets/pdf_file/0039/657993/QH959-Advancing-Health-Service-Workforce-publication-WEB-2.pdf)>.

# Application

This fees framework applies to all clinical placements offered under the Queensland Health Student Clinical Placement Deed. Education providers entering into the Deed with Queensland Health are subject to the terms of the Deed regarding fees. The Deed includes provision for Queensland Health facilities, where desired, to charge a fee to education providers for receiving students on clinical placement. The Deed does not establish detailed conditions in relation to the fee, such as how it is determined or paid, or the amount. HHSs may determine these arrangements in line with their business and service requirements, using this framework as a guide.

## Funding context

At present, HHSs are partially funded for clinical placements as part of the teaching, training and research block funding allocations determined by the National Efficient Cost (NEC) Determination model<sup>2</sup>. This recognises the State's responsibility to promote and support pre-entry clinical trainee healthcare practitioners in the public health service environment.

HHSs deliver clinical placements in accordance with the service agreements they establish with the Department of Health. The department's purchasing and funding models guide the price and volume of the teaching and training services (including for clinical placements) that HHSs must deliver under these agreements.

The financial and resourcing costs to HHSs in providing clinical placements and training are difficult to quantify. Review and analysis undertaken by the Independent Hospital Pricing Authority (IHPA) found that there is *"an intrinsic and often inseparable link between activities which support teaching and training and clinical service delivery"*<sup>3</sup> making it difficult to separate out the costs.

IHPA is committed to transitioning away from a block funding model for teaching and training, to one which is based on activity.<sup>4</sup> This will have implications for the management of clinical placements in the future.

Public universities receive funding for Commonwealth supported places via the Commonwealth Grant Scheme<sup>5</sup> and VET providers receive funding through the Queensland Government. In the case of medical students, Commonwealth funding includes a loading for

---

<sup>2</sup> Queensland Health, *Health Funding Policies and Principles 2019-20 financial year*, version 3.0, Queensland Government, viewed 8 July 2020, < [https://www.publications.qld.gov.au/dataset/e1c2648f-eb8e-4e7f-a0d7-42604cd9212f/resource/88daaf6b-883e-4424-a883-f5a63717c4b5/fs\\_download/qld-health-funding-policy-and-principles\\_19-20\\_v3.0.pdf](https://www.publications.qld.gov.au/dataset/e1c2648f-eb8e-4e7f-a0d7-42604cd9212f/resource/88daaf6b-883e-4424-a883-f5a63717c4b5/fs_download/qld-health-funding-policy-and-principles_19-20_v3.0.pdf)>.

<sup>3</sup> Independent Hospital Pricing Authority 2014, *Define teaching, training and research and identify associated cost drivers for ABF purposes*, *Environmental Scan*, January 2014, viewed 8 July 2020, <https://www.ihipa.gov.au/sites/default/files/publications/ttr-environmental-scan-final.pdf>>.

<sup>4</sup> Independent Hospital Pricing Authority 2019, *Pricing framework for Australian public hospital services 2020-21 Consultation report*, viewed 8 July 2020, [https://www.ihipa.gov.au/sites/default/files/pricing\\_framework\\_for\\_australian\\_public\\_hospital\\_services\\_2020-21\\_consultation\\_report.pdf](https://www.ihipa.gov.au/sites/default/files/pricing_framework_for_australian_public_hospital_services_2020-21_consultation_report.pdf)>.

<sup>5</sup> Department of Education, Skills and Employment, *Commonwealth Grant Scheme (CGS) Guidelines*, viewed 8 July 2020, <https://www.education.gov.au/commonwealth-grant-scheme-cgs>.

clinical placements. Education providers also receive tuition fees from students for clinical education within healthcare courses.

Clinical placement costs are diverse and increasing over time.<sup>6</sup> Costs derive from providing professional time for supervision, extended procedural/client consultation time, academic content delivery time, and administrative and consumables expenses. Funding contributions by all parties reflect the breadth of obligations and interests served by the clinical placements program, and the need to establish strong, collaborative partnerships to achieve successful clinical placement outcomes.

## Strong foundations

The guidance provided by this document has been developed in the context of the funding and legal framework outlined above, and to align with Queensland Health's clinical placements' philosophy and principles.

### Philosophy

Queensland Health counts the provision of clinical placements to pre-entry health students as one of its core functions and responsibilities and, for most healthcare professions, Queensland Health is the principal provider of clinical placements for healthcare students in Queensland.

Queensland Health recognises the reciprocal benefits of an effective clinical placements program. The program assists students to satisfy the practical training requirements of their health course and gain hands-on clinical experience. Students add value to the clinical environment through their contributions, effort, and perspectives. Health professionals and health services all have a role to play in supporting the development of the next generation of skilled clinicians.

Where Queensland Health charges education providers clinical placements fees, it is intended to represent a contribution towards placement costs, rather than the total cost. This reflects the shared responsibility of student learning and development.

### Principles

While the Student Placement Deed provides the legal basis for HHSs to charge clinical placement fees, some core principles have been developed to underpin and guide fee-setting in practice. Stakeholders were consulted on a draft set of principles during the 2020

---

<sup>6</sup> Deloitte Access Economics 2016, *Cost of delivery of higher education* Australian Government Department of Education and Training Final report, viewed 8 July 2020, <[https://docs.education.gov.au/system/files/doc/other/deloitte\\_access\\_economics\\_-\\_cost\\_of\\_delivery\\_of\\_higher\\_education\\_-\\_final\\_report.pdf](https://docs.education.gov.au/system/files/doc/other/deloitte_access_economics_-_cost_of_delivery_of_higher_education_-_final_report.pdf)>.

review of the clinical placements program, and these have been further refined to meet the needs of the program.

The principles, as outlined below, provide an important foundation for the guidelines that follow in the next section of this framework. HHSs are encouraged to use them as a valuable reference point, as they consider and develop fee arrangements that align with local needs and context.

## **Principles of clinical placement fee arrangements**

1. Queensland Health demonstrates its long-term strategic commitment to the clinical education and development of the future healthcare workforce through its role as the major provider of clinical placements for healthcare students in Queensland.
2. Queensland Health acknowledges the contribution of pre-entry healthcare students to the clinical environment, and its roles as a current and future employer of practically-trained healthcare professionals.
3. Education providers undertake to supply healthcare education programs that incorporate practical training components, and which comply with accreditation requirements.
4. Queensland Health recognises the importance of shared funding arrangements to support quality clinical placements, and provides balanced, principles-based financial leadership in clinical placement fee determination.
5. Clinical placement fees paid by education providers represent a contribution to practical training costs and are not intended to achieve full cost recovery.
6. Variability in clinical placement fee arrangements may reflect differences in training requirements across disciplines and education programs, as well as differences in service needs, and the complexity, length, location, and demands of placements.
7. Queensland Health supports clinical placement fee structures that maximise flexibility, transparency, sustainability, cost-effectiveness and responsiveness to the complex, variable and evolving health care environment.
8. Successful clinical placements require open communication and the documentation of agreed fee arrangements between HHSs and education providers.

# Guidelines

The principles outlined in the previous section provide a useful framework for more in-depth consideration of the elements of effective fee-setting. HHSs seeking to establish fee arrangements will need to examine factors such as fee amounts, method of payment, administration and record-keeping systems, changes to requirements over time, and ongoing management of the relationship between the HHS and education provider. This section provides guidelines in relation to these issues, with the aim of supporting HHSs to be thorough, considered, and effective in relation to clinical placement fee-setting.

## Considerations in fee determination

Where an HHS seeks to introduce or revise fee arrangements for clinical placements, consideration to the following elements is recommended.

### Cost of placements

When HHSs provide pre-entry healthcare students with clinical placements, costs are incurred. These include expenses related to supervision, teaching and professional time, extended clinical time, administration, infrastructure and systems requirements, and consumables.

These expenses provide the basis for HHSs to determine whether a fee contribution is to be sought and, if so, to develop fee arrangements with education providers to manage the placement costs. Where an HHS opts to charge education providers a fee to receive students for clinical placements, this represents a nominal contribution to total placement costs.

Further to the above, the imposition of clinical placement fees may be directly linked to a specific reinvestment of fees in the placement content, quality, or capacity, which may be discussed with the education provider at the time of making the fee arrangements.

It is reasonable that education providers may need to contribute additional amounts to support students undertaking higher-cost placements. Finally, increases in the total number of clinical placement requests may lead to the introduction of fees, or increases to existing fees, in order for HHSs to meet capacity requirements.

### Fee structures

HHSs should determine a suitable base measurement unit for clinical placement fees, such as an amount per clinical placement day, or per clinical placement, and payments may be calculated per student or per cohort.

HHSs may determine an acceptable fee arrangement with consideration to the placement location, health discipline, capacity, placement costs, and the availability of supervision and other resourcing.

Fee structures should take into consideration record-keeping and the availability of placement data to calculate fees, administrative burden, course requirements, and the

treatment of cancellations and absences. These elements should be considered, and any required processes established, prior to implementation of the fee arrangements.

As part of the fee-determination process, the interface with existing partnership or research arrangements that the HHS has with the education provider should be considered. Where preferred, in-kind payment arrangements may be established, and this option is discussed in more detail later in this document.

Open and transparent communication and negotiation should be the starting point for fees discussions.

## Supervision

Appropriate supervision is a core element of practical clinical experience, and also represents one of the key cost components of clinical placements. HHSs need to clarify supervision capacity and capability, and to ensure adequate resourcing to meet the cost of additional staffing requirements. Where education providers contribute to student supervision during placements, this may have an impact on fees.

## Alignment with strategic priorities

HHSs coordinate clinical placements on a daily basis among myriad other operational processes. Where possible, HHSs should also seek to align clinical placement management with the HHS's broader strategic priorities. Through consideration of the HHS's strategic service and workforce objectives, HHSs can utilise the clinical placements program to draw attention and resources to priority clinical areas, high-demand services, and identified locations. Clinical placement fees are a variable which may be used as part of the management of program to drive strategic outcomes.

## Key characteristics

HHSs have the flexibility to establish clinical placement fee arrangements which meet local requirements. In establishing fee arrangements with education providers, HHSs should consider the characteristics outlined below. Features such as consistency and transparency are strongly valued by education providers, while characteristics such as sustainability and alignment contribute to program effectiveness over the long-term.

### Simplicity

Clear, simple fee arrangements minimise confusion and ambiguity, reduce the need for interpretation and may be implemented in a streamlined manner. They are easily replicable across cohorts.

### Consistency

While a principles-based approach to fee-setting offers inherent flexibility, HHSs are encouraged to establish robust, standardised fee structures which endure over time, and to maximise internal fee consistency where possible. This means that, within HHSs, variations in placement fee structures and amounts are minimised across facilities, disciplines, and cohorts. In some health disciplines, consistency is achieved through centrally coordinated



agreement about fees.<sup>7</sup> Greater consistency allows both HHSs and education providers to plan ahead with greater confidence about what the future will hold.

## Equity

When establishing fee arrangements, HHSs should consider that multiple education providers may seek to place students within the HHSs' facilities. Fee arrangements should maximise equity through consistency of fees for similar placement types and locations.

## Transparency

HHS should maintain open lines of communication with education providers in relation to fee-setting principles and processes within the HHS. While there may be some limitations to what information can be shared under commercial-in-confidence arrangements, the sharing of general fee-setting information may serve to strengthen confidence in fee-related processes.

## Sustainability

In line with Queensland Health's long-term commitment to the clinical placements program, HHSs are encouraged to set fees at reasonable levels, so that the program remains well-regarded and well-accepted by education providers. Reasonable program parameters will help to ensure the sustainability of the clinical placements program over the long-term.

## Strategic workforce management

HHSs have the opportunity to utilise the clinical placements program as a means of attracting future workforce to identified target areas. HHSs may use information about clinical areas, services, and locations with increasing demand, to guide the availability and locations of clinical placements, and as a consideration in fee-setting. This should occur in the context of ongoing discussions with education providers about evolving healthcare and workforce demand areas.

## Career pathways

HHSs may seek to use the clinical placements program as a workforce attraction mechanism, such as to draw healthcare students to rural and remote locations or to Aboriginal and Torres Strait Islander health services. Where HHSs do pursue this type of initiative, the HHS would need to support the program with subsequent workforce opportunities and career pathways in those locations and services.

---

<sup>7</sup> Queensland Health clinical placement capacity and offers of clinical placements for allied health professions, A guide for Hospital and Health Services, August 2014, [https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwi\\_9lNyh9\\_xAhWNF3IKHUyPD\\_TIQFnoECAUQAA&url=https%3A%2F%2Fwww.health.qld.gov.au%2F\\_data%2Fassets%2Fpdf\\_file%2F0012%2F151032%2Fplacement-guide.pdf&usg=AOvVaw314wVgkTecy6eSR3x11-OD](https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwi_9lNyh9_xAhWNF3IKHUyPD_TIQFnoECAUQAA&url=https%3A%2F%2Fwww.health.qld.gov.au%2F_data%2Fassets%2Fpdf_file%2F0012%2F151032%2Fplacement-guide.pdf&usg=AOvVaw314wVgkTecy6eSR3x11-OD)

## Incentivisation

HHSs should recognise the inter-relationship between clinical placement fees and incentives. HHSs may seek to minimise or avoid fees for some clinical placement for identified locations, services, or disciplines, and instead to offer incentives to attract pre-entry students to these. An example of this would be to offer accommodation or additional access to training, for students undertaking placements in a rural location.

## Scarcity and oversupply

Queensland Health recognises the potential impact of supply and demand factors on clinical placement fees. Demand for placements varies significantly across facilities, and HHS capacity to make placements available is finite. For example, the scarcity of undergraduate students in a specialised allied health discipline may lead an HHS to avoid imposing fees for these placements and instead, promoting and incentivising them. Similarly, acknowledging valuable student contributions to service in a rural location, for example, an HHS may avoid imposing fees on the education provider.

## Communication

Open communication between HHSs and education providers is critical to the establishment of successful fee arrangements. Education providers should have the opportunity to gain a clear understanding of the basis for fees and how they are to be applied, as well as local administrative requirements. Communication channels should remain open for discussion about issues or concerns, and the clarification of expectations and requirements, as needed.

## Fee arrangements

It is expected that, in practice, a variety of fee arrangements would exist across Queensland Health facilities. In some cases, no fee would apply, while in others a fee or in-kind contribution may be agreed.

## Fee

A standard clinical placement arrangement involves the HHS billing the education provider on a periodic basis for the provision of the agreed clinical placements. The amount paid by the education provider should be in line with the agreed amount in the Student Placement Deed Schedule, and the payment made in accordance with local administrative requirements.

## In-kind payment

An HHS and education provider may establish an in-kind arrangement whereby the latter provides an alternative service, facility, or opportunity, in lieu of paying a fee for clinical placements. For example, the education provider may provide HHS staff with access to clinical supervision training or other professional development opportunities, or the HHS

and educational provider may partner to undertake agreed research, linked to student placement opportunities.<sup>8</sup>

## Grant

Some students may attract public or private grants to cover costs of supervision, accommodation, transport, and incidentals associated with their placement.

## No fee

As discussed above, HHSs may opt to avoid charging fees for some clinical placements as a means of incentivisation and to attract a great number of pre-entry students to these placements.

## Implementation of fee arrangements

Following consideration of the relevant issues in clinical placement fee-setting, including fee structures and payment methods, HHSs should aim for smooth implementation of the arrangements.

## Schedule to the Student Placement Deed

Fee arrangements between an HHS and education provider must be formalised in the Schedule to the Student Placement Deed. The Schedule should specify the fee amount/s and/or type of contribution, due dates and forms of payment, which placement costs are covered, the cohort/s for which the arrangements apply, and all other relevant local terms and conditions. The Schedule forms part of the legal agreement between the education provider and Queensland Health, thus all binding details should be included. Full and complete detailing in the Schedule will clarify expectations early in the process and help to ensure that ambiguity or points of disagreement do not arise after placements have commenced.

## Record keeping

HHSs should develop local processes for fees-related record keeping, relevant to the fee arrangements that they establish with education providers. These may be at the HHS or facility level, and documentation requirements of education providers should be formalised in the Schedule, where applicable. Where fee arrangements include fees per student (rather than fees per cohort), reliable mechanisms to track student numbers, and perhaps locations and disciplines, will be required. Any documentation necessary to support the treatment of

---

<sup>8</sup> Standardised Schedule of Fees for Clinical Placement of students in Victorian Public Health Services for 2022, <file:///C:/Users/bradfowe/AppData/Local/Temp/Standardised%20Schedule%20of%20Fees%20for%20Clinical%20Placements%20for%202022.pdf>

clinical placement cancellations and missed placement days should also be considered, and appropriate processes established.

Time invested in the development of robust local clinical placement fee systems will help to ensure streamlined program operation into the future.

## Administrative procedures

The determination and payment of fees is an HHS process and local administrative procedures should be developed to manage accounts receivable and related requirements necessary for the smooth operation of fees arrangements.

## GST

Education providers may be required to pay Goods and Services Tax on the supply of student placement services. Where required, HHSs should ensure that GST is charged and appropriately dealt with, as part of the clinical placements fee arrangements.

## Issues resolution

HHSs should establish local processes to manage complaints and issues arising in connection with clinical placement fee arrangements.

# Resources

This fees framework serves as a key resource for HHSs in establishing clinical placement fee arrangements with education providers. Other resources include:

- Queensland Health Clinical Placements portal - <https://www.health.qld.gov.au/employment/clinical-placement>
- Schedule Completion Guidelines - [https://www.health.qld.gov.au/\\_data/assets/pdf\\_file/0029/629705/schedule-guidelines.pdf](https://www.health.qld.gov.au/_data/assets/pdf_file/0029/629705/schedule-guidelines.pdf)