



MEDICAL GOODS
AND SERVICES

Medical Goods and Services Category

Strategy period: 01 January 2026 to 31 December 2028

Category at a glance

Vision

To lead best-in-class procurement within Queensland Health to deliver Easier Access to Health Services and value for taxpayer money for Queenslanders.

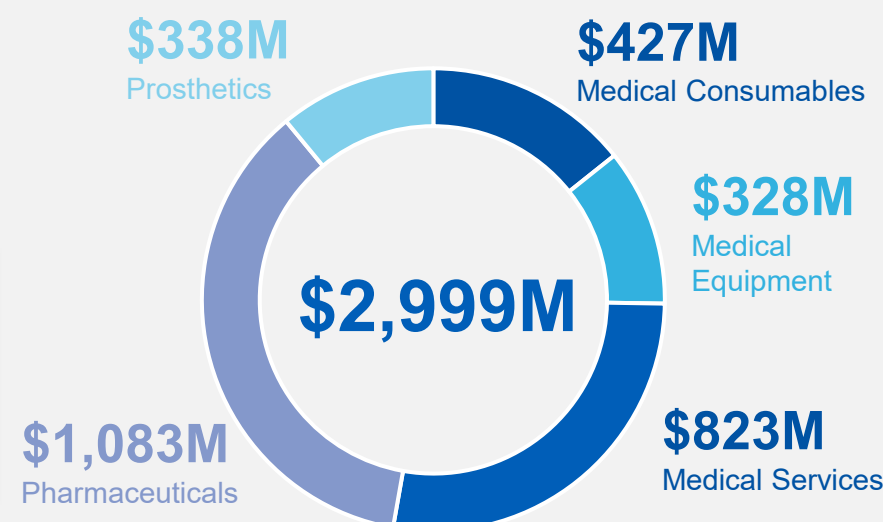
Annual category spend
(3-year average)
FY23/FY24/FY25

\$2,889M

Spend under
contract

39%

Subcategory Analysis



Subcategory analysis for the 2024/25 FY

Subcategory Summary

Subcategory	Spend	Value Risk Matrix Position	Brief description
Medical Consumables	\$427 million 14% of total spend	Leveraged	Consumable products and goods required for patient care.
Medical Equipment and Maintenance	\$328 million 11% of total spend	Strategic	Medical equipment for Hospital and Health Services, pathology and forensic equipment, associated consumables and reagents
Medical Services	\$823 million 27% of total spend	Routine	A range of clinical services provided by third parties related to the delivery of patient care
Pharmaceuticals	\$1,083 million 36% of total spend	Strategic	Pharmaceuticals and other products required for patient care
Prosthetics	\$338 million 12% of total spend	Focused	A range of products inserted into the body as part of a surgical procedure.

Note 1: The analysis and findings in this document are based on data for the period [2024/25 FY]. The data reflects the best available records at the time of preparation and will be reviewed and refreshed annually.

Definitions:

- Common use Supply Arrangements (CUSA)** - An arrangement intended for whole-of-Queensland Government use established between the principal and the successful offeror (including without limitation a standing offer arrangement, a register of pre-qualified suppliers, panel arrangement or preferred supplier arrangement).
- Small and Medium Enterprises (SME)** - business employing less than 200 people
- Value Risk Matrix** - a tool that considers value and risk to help you determine the level of complexity associated with a contract or group of contracts, the sourcing of specific goods/services or a category of goods and services

Data and insights Government commitments

Number of suppliers[†]

7,160

Regional Spend[†]

\$196M

Spend with Queensland
SME[†]

9.42%

Aboriginal and Torres
Strait Islander % spend[†]

0.91%

of Common Use Supply
Arrangements

75

Benefits enabled in
2024/25

\$26M

[†] The data Regional, SME and Aboriginal and Torres Strait Islander spend was accessed from the QGP Category Dashboard (not Queensland Health systems)

Delivering for Queensland

QPP and purposeful public procurement

Value for Queensland

Establish contemporary and optimum supply arrangements that deliver safe, reliable and cost-effective medical goods and services that enable the delivery of safe and high-quality healthcare to Queenslanders supporting improved access and equitable outcomes.

Local opportunities

Identify and create opportunities to create supply arrangements with diverse competitive supplier bases that include local businesses and family and small businesses, which promote rural and regional Queenslanders and grow work for local manufacturing, logistic and wholesale capabilities.

Easy to do business

Create an inclusive procurement environment with suppliers which is promoted by simplified supplier access to procurement opportunities, increased supplier engagement, streamlined processes, clear specifications, and simplified tender packs written in plain English.

Open to new ideas

Support pilots and innovation partnerships and new approaches to procuring medical goods and services that advances innovative technology and supports future ways of delivering health services.

Practical economic, environmental and social impact

Increase participation in the category by Aboriginal and Torres Strait Islander businesses and other diverse suppliers.

**DELIVERING
FOR QUEENSLAND**



**Queensland
Government**

Category objectives and achievements

Objectives

1. Successfully implement and measure the refreshed Queensland Procurement Policy within Queensland Health.
2. Develop contemporary and innovative fit-for-purpose optimum supply arrangements that achieve outcomes that support improved access to healthcare and maximise value for Queenslanders.
3. Increase the collaboration across HHS and central procurement teams in support of improved procurement of medical products and services
4. Conduct a functional maturity assessment for the Medical Goods and Services Category to evaluate how well procurement practices are aligned with standards and benchmarks.
5. Simplify procurement processes making it easier for suppliers to do business delivering better outcomes and contributing to patient care.

Key achievements (preceding 12 months)

- The development of a clinical engagement model that integrates clinical expertise into system-wide procurement activities.
- A dashboard report was developed to assist with reporting on spend with Aboriginal and Torres Strait Islander owned businesses by the Department of Health and Hospital and Health Services.
- Implementation of a 'capped pricing model' arrangement for Primary Joint Replacement, enabling clinically proven products to be implanted in patients with Queensland Health funding models.



Queensland Health and representatives from other government agencies and industry met on 14 occasion in 2025 (across 3 procurement-based forums) to oversee and direct strategic procurement activities, collaborate on procurement, and engage with industry across the Medical Goods and Services Category

Priorities and focus areas

Short Term (next 12 months)

- Drive value for Queensland Health by implementing and applying the Queensland Procurement Policy 2026 effectively and efficiently.
- Deliver significant value to Queensland Health by developing and implementing an effective plan to consolidate and standardise procurement of medical goods without compromising clinical safety
- Leveraging the expertise and assistance of accountable policy agencies to assist with the engagement and promotion of Aboriginal and Torres Strait Islander owned businesses and family and small business and medium enterprises across Queensland Health.

Medium Term (years 2-3)

- Simplifying and refreshing procurement practices, removing complexity with specifications, and refreshing tender and contract management documentation to create fair and reasonable opportunities for suppliers and local businesses to do business with Queensland Health.
- Refreshing and consolidating supply arrangements to drive efficiency, remove duplication reduce contract leakage, improve supplier performance management, strengthen supply chain resilience, and strengthen bargaining power.
- Engaging with Indigenous suppliers, family and small businesses, and social enterprises applying agency policy to outcome-based actions

Long Term (beyond 3 years)

- A mature procurement approach with sustainable procurement practices that has established a dynamic and diverse supplier base that can support health services across Queensland, including regional and remote communities.
- Sustainable procurement practices that create local opportunities for Queensland suppliers, promote local manufacturing and industry, and improve the supplier engagement experience.
- Clinician driven approach to the procurement of medical goods and services that supports the seamless delivery of Easier Access to Health Services when they need them most.
- Engage effectively with supply markets to continue to drive value and secure supply of high-quality medical products and services, managing risks and ensuring clinical safety.