

# **PORTFOLIO OVERVIEW**



# HEALTH PORTFOLIO OVERVIEW

## Ministers and Portfolio Responsibilities

The Health portfolio works towards achieving better health and wellbeing for all Australians.

Since the 2014-15 Budget, the Australian Government has focused on delivering better health outcomes by ensuring that our high quality health system is affordable, accessible and efficient. The 2015-16 Budget attempts to address the cost pressures outlined for Health in the 2015 Intergenerational Report, through responsible economic management, and investments to improve productivity and efficiency, while maintaining frontline services. By reviewing key financing mechanisms, streamlining bureaucracy and administration, and reducing waste and duplication across the Health portfolio, we will provide better health and wellbeing for all Australians now and for future generations.

The Portfolio's services are delivered through the 28 Outcomes outlined in Figure 1: *Portfolio Structure and Outcomes*. Each Portfolio entity has developed performance information to determine its effectiveness in achieving entity-specific Outcomes. Outcome and Programme reporting, and resource allocations for each entity are presented in the respective Entity Resources and Planned Performance (Budget Statements) sections.

## Ministerial Changes

On 21 December 2014, the Prime Minister, the Hon Tony Abbott MP announced changes to the Ministry which included the appointment of the Hon Sussan Ley MP as the Minister for Health and the Minister for Sport. Senator the Hon Fiona Nash remained as the Assistant Minister for Health.

## Changes to Portfolio Entities

The Australian Government is working to reduce the number of entities within the Health portfolio as part of its Smaller and More Rational Government agenda. This will enhance lines of accountability and ensure that overly bureaucratic structures are simplified, while preserving the delivery of key services.

### Australian National Preventive Health Agency

The operation of the Australian National Preventive Health Agency (ANPHA) ceased from 1 July 2014, with essential functions transferred to the Department of Health, pending passage of the final legislation.

### **Australian Organ and Tissue Donation and Transplantation Authority, and National Blood Authority**

In the 2014-15 Budget, the Government announced the merger of the Australian Organ and Tissue Donation and Transplant Authority and the National Blood Authority to create a new independent body. The creation of a single entity will reduce running costs as well as streamlining and consolidating service delivery. Implementation is progressing in the context of a whole-of-Government approach with other entity mergers to ensure new arrangements are effectively implemented.

### **General Practice Education and Training**

General Practice Education and Training Limited (GPET) was closed on 31 December 2014, with essential functions transferred to the Department of Health.

### **Health Workforce Australia**

The essential functions of Health Workforce Australia (HWA) were transferred to the Department of Health with effect from 7 August 2014.

### **Private Health Insurance Administration Council**

The functions of the Private Health Insurance Administration Council (PHIAC) are being transferred to the Australian Prudential Regulation Authority (APRA) and the Department of Health. Implementation of this transfer is subject to the passage of legislation by the Parliament.

### **Private Health Insurance Ombudsman**

The responsibilities of the Private Health Insurance Ombudsman (PHIO) are being transferred to the Office of the Commonwealth Ombudsman. Implementation of this transfer is subject to the passage of legislation by the Parliament. Further information can be found in the Office of the Commonwealth Ombudsman's entity chapter within the Department of the Prime Minister and Cabinet's Portfolio Budget Statements.

### **Proposed agency merger**

In the 2014-15 Budget, the Government announced an intention to consult with States and Territories with a view to establishing a new Health Productivity and Performance Commission.

Consultations have been held with State and Territory health officials and entity CEOs and Boards. Strategies to find efficiencies and reduce the number of entities within the Health portfolio will continue to be explored in 2015-16.

**Figure 1: Portfolio Structure and Outcomes**

<p><b>The Hon Sussan Ley MP</b> Minister for Health Minister for Sport</p> <p><b><u>Portfolio Responsibilities</u></b></p> <p><i>Department of Health:</i> Outcomes: 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10</p> <p><i>Entities:</i> ACSQHC, AIHW, ASADA, ASC, ASF, CA, IHPA, NHFB, NHMRC, NHPA, NMHC, PHIAC, and PSR</p>	<p><b>Senator the Hon Fiona Nash</b> Assistant Minister for Health</p> <p><b><u>Portfolio Responsibilities</u></b></p> <p><i>Department of Health:</i> Outcomes 1, 3, 5, 7, 8 and 9</p> <p><i>Entities:</i> AOTDTA, ARPANSA, FSANZ and NBA</p>
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**Department of Health – Martin Bowles PSM** Secretary**Outcome 1. Population Health**

A reduction in the incidence of preventable mortality and morbidity, including through national public health initiatives, promotion of healthy lifestyles, and approaches covering disease prevention, health screening and immunisation.

**Outcome 2. Access to Pharmaceutical Services**

Access to cost-effective medicines, including through the Pharmaceutical Benefits Scheme and related subsidies, and assistance for medication management through industry partnerships.

**Outcome 3. Access to Medical and Dental Services**

Access to cost-effective medical, dental, allied health and hearing services, including through implementing targeted medical assistance strategies, and providing Medicare subsidies for clinically relevant services and hearing devices to eligible people.

**Outcome 4. Acute Care**

Improved access to, and efficiency of, public hospitals, acute and subacute care services, including through payments to state and territory governments.

**Outcome 5. Primary Health Care**

Access to comprehensive primary and mental health care services, and health care services for Aboriginal and Torres Strait Islander peoples and rural and remote populations, including through first point of call services for the prevention, diagnosis and treatment of ill-health and ongoing services for managing chronic disease.

**Outcome 6. Private Health**

Improved choice in health services by supporting affordable quality private health care, including through private health insurance rebates and a regulatory framework.

**Outcome 7. Health Infrastructure, Regulation, Safety and Quality**

Improved capacity, quality and safety of Australia's health care system to meet current and future health needs including through investment in health infrastructure, regulation, international health policy engagement, research into health care, and support for blood and organ donation services.

**Outcome 8. Health Workforce Capacity**

Improved capacity, quality and mix of the health workforce to meet the requirements of health services, including through training, registration, accreditation and distribution strategies.

**Outcome 9. Biosecurity and Emergency Response**

Preparedness to respond to national health emergencies and risks, including through surveillance, regulation, prevention, detection and leadership in national health coordination.

**Outcome 10. Sport and Recreation**

Improved opportunities for community participation in sport and recreation, and excellence in high-performance athletes, through initiatives to help protect the integrity of sport, investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues.

**Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities**

**Australian Commission on Safety and Quality in Health Care**

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**Adjunct Professor Debora Picone AM**  
Chief Executive Officer

**Outcome 1.** Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards.

**Australian Institute of Health and Welfare**

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**Kerry Flanagan PSM** Director

**Outcome 1.** A robust evidence-base for the health, housing and community sectors, including through developing and disseminating comparable health and welfare information and statistics.

**Australian Organ and Tissue Donation and Transplantation Authority**

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**Yael Cass** Chief Executive Officer

**Outcome 1.** Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system.

**Australian Radiation Protection and Nuclear Safety Agency**

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**Dr Carl-Magnus Larsson** Chief Executive Officer

**Outcome 1.** Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation.

**Australian Sports Anti-Doping Authority**

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**Ben McDevitt AM APM** Chief Executive Officer

**Outcome 1.** Protection of the health of athletes and the integrity of Australian sport, including through deterrence, detection and enforcement to eliminate doping.

**Australian Sports Commission**

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**Simon Hollingsworth** Chief Executive Officer

**Outcome 1.** Improved participation in structured physical activity, particularly organised sport, at the community level, including through leadership and targeted community-based sports activity.

**Outcome 2.** Excellence in sports performance and continued international sporting success, by talented athletes and coaches, including through leadership in high performance athlete development, and targeted science and research.

**Australian Sports Foundation Limited**

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**Patrick Walker** Chief Executive Officer

**Outcome 1.** Improved Australian sporting infrastructure through assisting eligible organisations to raise funds for registered sporting projects.

**Cancer Australia**

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**Professor Helen Zorbas AO** Chief Executive Officer

**Outcome 1.** Minimised impacts of cancer, including through national leadership in cancer control with targeted research, cancer service development, education and consumer support.

**Food Standards Australia New Zealand**

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**Steve McCutcheon** Chief Executive Officer

**Outcome 1.** A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices.

**Independent Hospital Pricing Authority**

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**Dr Tony Sherbon** Chief Executive Officer

**Outcome 1.** Promote improved efficiency in, and access to, public hospital services primarily through setting efficient national prices and levels of block funding for hospital activities.

**National Blood Authority**

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**Leigh McJames** General Manager

**Outcome 1.** Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements.

**National Health Funding Body**

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**Lynton Norris** Chief Executive Officer

**Outcome 1.** Provide transparent and efficient administration of Commonwealth, state and territory funding of the Australian public hospital system, and support the obligations and responsibilities of the Administrator of the National Health Funding Pool.

## Figure 1: Portfolio Structure and Outcomes (continued) – Portfolio Entities

### National Health and Medical Research Council

#### **Professor Anne Kelso AO**

Chief Executive Officer

**Outcome 1.** Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health.

### National Health Performance Authority

#### **Dr Diane Watson** Chief Executive Officer

**Outcome 1.** Contribute to transparent and accountable health care services in Australia, including through the provision of independent performance monitoring and reporting; the formulation of performance indicators; and conducting and evaluating research.

### National Mental Health Commission

#### **David Butt** Chief Executive Officer

**Outcome 1.** Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers.

### Private Health Insurance Administration Council

#### **Shaun Gath** Chief Executive Officer

**Outcome 1.** Prudential safety and competitiveness of the private health insurance industry in the interests of consumers, including through efficient industry regulation.

### Professional Services Review

#### **Dr Bill Coote** Director

**Outcome 1.** A reduction of the risks to patients and costs to the Australian Government of inappropriate clinical practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.

## Portfolio Resources

Table 1 shows the total resources provided to the portfolio in the 2015-16 Budget year by entity.

**Table 1: Portfolio Resources 2015-16**

	Appropriations			Receipts <sup>1</sup>	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
<b>Departmental</b>					
<b>Department of Health</b>					
Departmental appropriations	444,993	8,410	149,360	31,549	634,312
<b>Australian Commission on Safety &amp; Quality in Health Care</b>					
Departmental appropriations	-	-	-	7,390	7,390
<b>Australian Institute of Health and Welfare<sup>2</sup></b>					
Departmental appropriations	15,625	-	-	30,630	46,255
<b>Australian Organ and Tissue Donation and Transplantation Authority</b>					
Departmental appropriations	5,926	-	-	-	5,926
<b>Australian Radiation Protection and Nuclear Safety Agency</b>					
Departmental appropriations	15,043	-	-	9,561	24,604
<b>Australian Sports Anti-Doping Authority</b>					
Departmental appropriations	12,607	-	-	1,984	14,591
<b>Australian Sports Commission</b>					
Departmental appropriations	253,646	-	-	23,752	277,398
<b>Cancer Australia</b>					
Departmental appropriations	12,091	-	-	1,128	13,219
<b>Food Standards Australia New Zealand<sup>2</sup></b>					
Departmental appropriations	17,257	-	-	2,169	19,426
<b>Independent Hospital Pricing Authority<sup>2</sup></b>					
Departmental appropriations	25,877	-	-	245	26,122
<b>National Blood Authority</b>					
Departmental appropriations	5,912	-	-	3,673	9,585
<b>National Health Funding Body</b>					
Departmental appropriations	4,315	-	-	-	4,315
<b>National Health and Medical Research Council</b>					
Departmental appropriations	44,441	-	-	1,500	45,941
<b>National Health Performance Authority<sup>2</sup></b>					
Departmental appropriations	34,097	-	-	-	34,097



**Table 1: Portfolio Resources 2015-16 (continued)**

	Appropriations			Receipts <sup>1</sup>	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
<b>National Mental Health Commission</b>					
Departmental appropriations	2,826	-	-	-	2,826
<b>Private Health Insurance Administration Council<sup>2</sup></b>					
Departmental appropriations	-	-	6,974	163	7,137
<b>Professional Services Review</b>					
Departmental appropriations	5,533	-	-	-	5,533
<b>Total Departmental</b>	<b>900,189</b>	<b>8,410</b>	<b>156,334</b>	<b>113,744</b>	<b>1,178,677</b>
<b>Administered</b>					
<b>Department of Health</b>					
Administered appropriations	5,788,126	31,741	39,019,089	330,056	45,169,012
<b>Australian Organ and Tissue Donation and Transplantation Authority</b>					
Administered appropriations	46,872	-	-	-	46,872
<b>Cancer Australia</b>					
Administered appropriations	16,938	-	-	-	16,938
<b>National Blood Authority</b>					
Administered appropriations	7,070	-	-	494,676	501,746
<b>National Health and Medical Research Council</b>					
Administered appropriations	840,583	-	-	8,000	848,583
<b>National Mental Health Commission</b>					
Administered appropriations	3,649	-	-	-	3,649
<b>Private Health Insurance Administration Council<sup>2</sup></b>					
Administered appropriations	-	-	557,080	45	557,125
<b>Total Administered</b>	<b>6,703,238</b>	<b>31,741</b>	<b>39,576,169</b>	<b>832,777</b>	<b>47,143,925</b>
<b>Total Portfolio</b>	<b>7,603,427</b>	<b>40,151</b>	<b>39,732,503</b>	<b>946,521</b>	<b>48,322,602</b>

All figures are GST exclusive.

- 1 Excludes receipts from related entities from within the Portfolio. Administered receipts of the Department of Health include \$2.087 million received from the private health insurance industry and returned to the Official Public Account for expenses associated with the Private Health Insurance Ombudsman's role with the Department of the Prime Minister and Cabinet Portfolio.
- 2 These entities are not directly appropriated as they are corporate entities under the *Public Governance, Performance and Accountability Act 2013*.

