Outcome 10

HEALTH SYSTEM CAPACITY AND QUALITY

Improved long-term capacity, quality and safety of Australia's health care system to meet future health needs, including through investment in health infrastructure, international engagement, consistent performance reporting and research

Outcome Strategy

Through Outcome 10, the Australian Government aims to improve the long-term capacity of Australia's health care system with a particular emphasis on quality and safety. To achieve this, the Department funds systemic improvement activities focused on management, performance, information, infrastructure, and research.

The introduction of the Personally Controlled Electronic Health Record (PCEHR) system is one element of the Government's strategy to improve the long-term capacity and quality of the health system. Commencing in 2012-13, the national PCEHR system will use newly established infrastructure, standards and tools so that individuals' key health information can be available when and where it is needed, while ensuring that records are private and secure and access is controlled by the individual. In 2012-13, the Department will also implement a pilot program to promote the use of telehealth services in the home using the infrastructure of the National Broadband Network.

To further boost capacity, quality and safety of the health system, the Government will invest in health infrastructure such as the renewal and refurbishment of hospital facilities, medical technology equipment and medical research facilities. The Department will also promote the exchange of health information between states and territories, oversee Australia's health and medical research efforts, including supporting programs that translate research findings into clinical care, engage with international organisations and participate in international, regional and bilateral forums on health issues.

The increasing prevalence of chronic diseases, already the leading cause of preventable death and disease in Australia, presents a major challenge for Australia's health care system. The Government will increase the capacity of the health system to better manage and prevent chronic disease, including cancer, through continued support and investment in infrastructure and evidence-based best practice.

Outcome 10 is the responsibility of Acute Care Division, Mental Health and Drug Treatment Division, Pharmaceutical Benefits Division, Population Health Division, Portfolio Strategies Division, eHealth Division, Primary and Ambulatory Care Division, Regulatory Policy and Governance Division, and the Office of Health Protection.

Outcome | 10

Programs Contributing to Outcome 10

Program 10.1: Chronic disease – treatment

Program 10.2: e-Health implementation

Program 10.3: Health information

Program 10.4: International policy engagement

Program 10.5: Research capacity and quality

Program 10.6: Health infrastructure

Outcome 10 Budgeted Expenses and Resources

Table 10.1: Budgeted Expenses and Resources for Outcome 10

	2011-12 Estimated actual $'000	2012-13 Estimated expenses $'000
Program 10.1: Chronic disease - treatment[1]		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	4,000	2,100
Special Accounts		
Health and Hospitals Fund Health Portfolio Special Account[2]	494,681	266,374
Departmental expenses		
Departmental appropriation[3]	2,374	2,539
Expenses not requiring appropriation in the budget year[4]	104	131
Total for Program 10.1	**501,159**	**271,144**
Program 10.2: e-Health implementation		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	359,809	65,430
Departmental expenses		
Departmental appropriation[3]	12,470	16,270
Expenses not requiring appropriation in the budget year[4]	577	402
Total for Program 10.2	**372,856**	**82,102**
Program 10.3: Health information		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	32,418	32,561
Departmental expenses		
Departmental appropriation[3]	3,679	2,973
Expenses not requiring appropriation in the budget year[4]	174	121
Total for Program 10.3	**36,271**	**35,655**
Program 10.4: International policy engagement		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	9,875	14,912
Departmental expenses		
Departmental appropriation[3]	16	16
Expenses not requiring appropriation in the budget year[4]	1	1
Total for Program 10.4	**9,892**	**14,929**

Outcome | 10

Table 10.1: Budgeted Expenses and Resources for Outcome 10 (Cont.)

	2011-12 Estimated actual $'000	2012-13 Estimated expenses $'000
Program 10.5: Research capacity and quality[1]		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	124,001	31,372
Special Accounts		
Health and Hospitals Fund Health Portfolio Special Account[2]	194,001	37,605
Departmental expenses		
Departmental appropriation[3]	5,480	5,419
Expenses not requiring appropriation in the budget year[4]	247	231
Total for Program 10.5	**323,729**	**74,627**
Program 10.6: Health infrastructure		
Administered expenses		
Special Accounts		
Health and Hospitals Fund Health Portfolio Special Account[2]	530,203	417,773
Departmental expenses		
Departmental appropriation[3]	2,374	2,539
Expenses not requiring appropriation in the budget year[4]	104	131
Total for Program 10.6	**532,681**	**420,443**
Outcome 10 totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	530,103	146,375
Special accounts	1,218,885	721,752
Departmental expenses		
Departmental appropriation[3]	26,393	29,756
Expenses not requiring appropriation in the budget year[4]	1,207	1,017
Total expenses for Outcome 10	**1,776,588**	**898,900**

	2011-12	2012-13
Average staffing level (number)	166	178

[1] This program includes National Partnerships paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National partnerships are listed in this chapter under each program. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury Portfolio Budget Statements.

[2] The Health and Hospitals Fund is recorded as an expense by this department and by the Treasury. For more detailed estimates relating to this program refer Budget Paper 3.

[3] Departmental appropriation combines "Ordinary annual services (Appropriation Bill No 1)" and "Revenue from independent sources (s31)".

[4] "Expenses not requiring appropriation in the budget year" is made up of depreciation expense, amortisation expense, makegood expense and audit fees. This estimate also includes approved operating losses - please refer to the departmental financial statements in section 3 for further information.

Program 10.1: Chronic disease – treatment

Program Objectives

Improve detection, treatment and survival outcomes for people with cancer

The Australian Government recognises the enormous impact that cancer continues to have on many Australian families. Through the Health and Hospitals Fund (HHF), the Government will invest in a number of cancer infrastructure projects to help improve access to cancer treatment and support.

In 2012-13, the Department will actively monitor the progress of cancer infrastructure projects including the 'state of the art' integrated cancer centres in Sydney and Melbourne: The Chris O'Brien Lifehouse at the Royal Prince Alfred Hospital in Sydney and the Victorian Comprehensive Cancer Centre in Melbourne. These centres will not only provide treatment and support to those with cancer and their families, but also undertake ground-breaking research in cancer prevention and treatment. By integrating the work and the people involved in new discoveries and the people involved in treating and supporting patients and their families, these significant cancer projects will drive the next generation of improvements in the prevention, detection and treatment of cancer.

In addition, the Department will continue to fund the 24 Regional Cancer Centre projects (23 from the HHF) which will help improve access to essential cancer treatment (chemotherapy and/or radiotherapy) and support services (accommodation, counselling and/or education) for those living in regional, rural and remote Australia. These projects will enable people with cancer to access the right care at the right time, as close as possible to home and family, irrespective of where they live or their social circumstances.

The Department will continue to oversee the purchase of equipment to completely replace Breast-Screen Australia's dated analogue mammography equipment with digital equipment. A total of 205 analogue mammography machines in the Breast Screen Australia program will be replaced with digital equipment under this project.

Program 10.1 is linked as follows:

- This Program includes National Partnership Payments for:
  – *Health and Hospital Fund - National Cancer Statement*
  These Partnership Payments are paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury's Portfolio Budget Statements.

Program 10.1 Expenses

Table 10.2: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	4,000	2,100	-	-	-
Special account expenses					
Health and Hospital Fund					
Health Portfolio[1]	494,681	266,374	142,893	72,379	50,000
Program support	2,478	2,670	2,682	2,673	2,690
Total Program 10.1 expenses	**501,159**	**271,144**	**145,575**	**75,052**	**52,690**

[1] The Health and Hospitals Fund is recorded as an expense by this department and by the Treasury. For more detailed estimates relating to this program refer Budget Paper 3.

Program 10.1: Deliverables[1]

Table 10.3: Qualitative Deliverables for Program 10.1

Qualitative Deliverables	2012-13 Reference Point or Target
Improving detection, treatment and survival outcomes for people with cancer	
Improve the early detection of breast cancer through the installation of new digital technology	Continue upgrade from analogue to digital mammography

Table 10.4: Quantitative Deliverables for Program 10.1

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Improving detection, treatment and survival outcomes for people with cancer					
Number of breast care nurses employed through the McGrath Foundation[2]	30	30	N/A	N/A	N/A

Program 10.1: Key Performance Indicators

Table 10.5: Quantitative Key Performance Indicators for Program 10.1

Quantitative Indicators	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Improving detection, treatment and survival outcomes for people with cancer					
Percentage of progress reports for cancer infrastructure projects (including regional cancer centres) that meet agreed requirements	100%	100%	100%	100%	100%

Outcome | **10**

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1 In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

2 To accommodate the variation in commencement of Breast Care Nurses Australia-wide, the implementation and funding period for the measure has been extended to 30 June 2013.

Program 10.2: e-Health implementation

Program Objectives

Provide national eHealth leadership

The adoption of eHealth will improve the quality, safety, efficiency and coordination of health care by reducing the fragmentation of information across the health care sector. The Australian Government will lead the rollout of eHealth technology and services nationally by partnering with the state and territory governments to fund the National eHealth Transition Authority (NEHTA). NEHTA will continue to develop the foundational infrastructure and standards necessary for eHealth, including clinically safe, secure and interoperable eHealth specifications for adoption by public and private health care providers.

Develop systems to support a national eHealth system

The introduction of the Personally Controlled Electronic Health Record (PCEHR) system in 2012-13 represents a key milestone in the Government's strategy to increase Australians' access to eHealth services. The PCEHR system will enable individuals to register for their record either online, by phone or via selected Medicare shops, and once created the individual will control access. The system will create a better and more efficient health care experience for participating consumers, with a smoother transition of information between care settings, a reduction in the time spent reiterating clinical history or waiting for test results to be located, and a reduction in adverse medical events. Consumers will be able to track their health progress, medications and allergies, while health care providers will have more up-to-date information at the point of care for better clinical decision making. Building on existing capacity and capability and expanding on the geographic footprints of the lead sites will enable a steady and incremental approach to ensure privacy, clinical safety and quality, and ensure that the tangible benefits of the PCEHR system can be monitored, evaluated and reported.

A national eHealth system will be reinforced by the operation and promotion of the Healthcare Identifiers (HI) service. These unique reference numbers give individuals and providers confidence that health information accessed through eHealth technologies is linked with the correct individual at the point of care. Similarly, the National Authentication Service for Health will issue digital certificates to providers, ensuring that access to sensitive health information is secure. The Department will fund the Office of the Australian Information Commissioner to oversee eHealth legislation, provide consumers and health care providers with information and guidance, and initiate and conciliate complaints.

Provide eHealth services

In 2012-13, the Department will commence delivery of the Telehealth Pilot Program, which uses the National Broadband Network to give patients access to primary health care and specialist consultations from their own homes. The focus of the program will be on aged care, cancer care and palliative care.

Program 10.2 is linked as follows:

- The Department of Human Services (Medicare Australia – Program 1.1) is funded to administer the Healthcare Identifiers service and promote the use of Healthcare Identifiers.

Program 10.2 Expenses

Table 10.6: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	359,809	65,430	100,665	6,120	5,809
Program support	13,047	16,672	16,799	8,982	9,075
Total Program 10.2 expenses	**372,856**	**82,102**	**117,464**	**15,102**	**14,884**

Program 10.2: Deliverables[3]

Table 10.7: Qualitative Deliverables for Program 10.2

Qualitative Deliverables	2012-13 Reference Point or Target
Provide national eHealth leadership	
Fund the National eHealth Transition Authority (NEHTA) to develop better ways of electronically collecting and securely exchanging health information	Procurement and funding agreements between NEHTA and the Commonwealth in place by mid 2012-13
Develop systems to support a national eHealth system	
Set up processes and infrastructure for support of the PCEHR system	Processes and infrastructure to support the PCEHR system developed during 2012-13

Outcome | 10

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[3] In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

Table 10.8: Quantitative Deliverables for Program 10.2

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Provide eHealth services					
Number of telehealth services provided under the NBN Enabled Telehealth Pilots Program[4]	N/A	200	400	N/A	N/A

Program 10.2: Key Performance Indicators

Table 10.9: Quantitative Key Performance Indicators for Program 10.2

Quantitative Indicators	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Develop systems to support a national eHealth system					
Number of consumers who register for a PCEHR[5]	N/A	500,000	1,500,000	2,200,000	2,600,000

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[4]   This is a two year pilot commencing in 2012-13.

[5]   PCEHRs issued from 1 July 2012. This program has funding for only 2 years and 2014-16 targets are subject to funding being carried forward at current levels

Program 10.3: Health information

Program Objectives

Provide support to the Australian Health Ministers' Advisory Council

To ensure a nationally consistent focus on achieving better health outcomes, the Australian Government facilitates collaborative policy development with states and territories through the Australian Health Ministers' Advisory Council (AHMAC) and its Principal Committees.

The Australian Government's priorities are reflected in the annual work plans of the six AHMAC Principal Committees: Mental Health, Drugs and Alcohol Principal Committee; Health Workforce Principal Committee; Hospitals Principal Committee; Community Care and Population Health Principal Committee; National Health Information and Performance Principal Committee; and Australian Health Protection Committee.

In 2012-13, the Department will continue to monitor the work program of AHMAC and its Principal Committees to ensure that the activities undertaken reflect current Government priorities.

Support maternity services reform

In 2012-13, the Australian Government will continue to build on its commitment to reform maternity services by working with the states and territories to implement the Australian Health Ministers' Conference[6] endorsed *National Maternity Services Plan.*[7] The plan sets out a nationally consistent approach to the development and delivery of maternity services in Australia. In 2012-13, the Department will implement a range of initiatives to improve the safety and quality of maternity services and collaboration between maternity care providers.

The Department provides Maternity Services Research Grants to fund evidence-based research projects with practical applications. [8] In addition, the Department will work with the Australian Institute of Health and Welfare to develop nationally consistent maternal and perinatal data collections. This data will support the *National Maternity Services Plan* by contributing to the evidence-base and supporting safe, high quality maternity services.

The Department will also continue to fund the Australian Breastfeeding Association to run the National Breastfeeding Helpline.

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[6]   On 11 November 2011, the Australian Health Ministers' Conference became known as the Standing Council on Health.

[7]   Available at: <www.health.gov.au/maternity>.

[8]   These grants are administered by the NHMRC. For further information on its activities, refer to the NHMRC chapter in these Portfolio Budget Statements.

Outcome | 10

Program 10.3 Expenses

Table 10.10: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	32,418	32,561	29,906	30,235	30,832
Program support	3,853	3,094	2,648	2,634	2,662
Total Program 10.3 expenses	**36,271**	**35,655**	**32,554**	**32,869**	**33,494**

Program 10.3: Deliverables[9]

Table 10.11: Qualitative Deliverables for Program 10.3

Qualitative Deliverables	2012-13 Reference Point or Target
Provide support to the Australian Health Ministers' Advisory Council	
Activities undertaken by AHMAC and its Principal Committees to support the Standing Council on Health in providing leadership on national health issues	Australian Government priorities are reflected in the annual AHMAC work plan
Support maternity services reform	
Develop nationally consistent maternal and perinatal mortality and morbidity data collections	Data collected meets the needs of researchers and policy makers

Program 10.3: Key Performance Indicators

Table 10.12: Quantitative Key Performance Indicators for Program 10.3

Quantitative Indicators	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Support maternity services reform					
Number of people to contact the National Breastfeeding Helpline[10]	74,000	75,000	75,000	75,000	75,000

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9   In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

10   Current funding for the National Breast Feeding Helpline expires at the end of June 2012. Future funding for this activity will be determined through the Health System Capacity Development funding round.

Program 10.4: International policy engagement

Program Objectives

Facilitate international engagement on global health issues

The Australian Government, through the Department, will continue to monitor international health policy trends and address global health policy challenges.

The Department will ensure that Australia's participation in international fora focuses on promoting and protecting Australia's priority health interests in the Asia-Pacific region and globally, particularly in the areas of pandemic influenza preparedness and response, tobacco control, non-communicable disease prevention and control, and structural improvements to the health system. The Department will also continue to provide support in trade arrangements concerning health services, products and property. This involvement will assist in the enhancement of Australia's capacity to build world leading health infrastructure.

To support international collaboration on best practice approaches to reducing cancer incidence and mortality, the Department engages and supports the World Health Organization's (WHO) specialist cancer agency, the International Agency for Research on Cancer (IARC). Australia has been a participating member of IARC since 1965 and currently the Chief Medical Officer is a member of the Governing Council.

The Department will continue to work with the Department of Foreign Affairs and Trade and AusAID, to promote Australia's strategic and development goals, including managing bilateral health cooperation relationships with China and Indonesia, engagement with Pacific Island nations, and bringing a health perspective to the development of whole of government positions on free trade agreements and other arrangements.

The Department will facilitate the participation of senior health officials and technical experts at international meetings, host international delegations and visitors, and respond to requests from multilateral and regional agencies for data and policy information on Australia's health system and health status.

The Department will continue to manage Australia's relationships with health ministries and institutions from other countries and with international multilateral organisations, such as the WHO, the Organisation for Economic Cooperation and Development (OECD) and the Asia-Pacific Economic Cooperation (APEC). Australia's influence on, and responsibility for, international health issues will be strengthened with its election to the WHO Executive Board for the period of 2012-2015.

Outcome | 10

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Program 10.4 Expenses

Table 10.13: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	9,875	14,912	14,912	14,912	14,912
Program support	17	17	17	17	17
Total Program 10.4 expenses	**9,892**	**14,929**	**14,929**	**14,929**	**14,929**

Program 10.4: Deliverables[11]

Table 10.14: Qualitative Deliverables for Program 10.4

Qualitative Deliverables	2012-13 Reference Point or Target
Facilitate international engagement on global health issues	
Promote good governance in Pacific health systems	Departmental representatives will have facilitated and participated in the Pacific Senior Health Officials Network Annual Meeting planned for late 2012
Australia's interests secured at relevant meetings of key international health bodies and organisations	Departmental representatives will have actively engaged in WHO governing body meetings, OECD Health Committee meetings, APEC Health Working Group meetings and other international meetings held throughout the year

Table 10.15: Quantitative Deliverables for Program 10.4

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Facilitate international engagement on global health issues					
Number of international health delegations visits facilitated by the Department	20-25	20-25	20-25	20-25	20-25

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[11] In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

Program 10.4: Key Performance Indicators

Table 10.16: Quantitative Key Performance Indicators for Program 10.4

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Facilitate international engagement on global health issues					
Number of cooperative agreements with overseas health ministries[12]	5-7	5-7	5-7	5-7	5-7

Outcome | 10

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[12] Number of agreements excludes licenses, funding agreements for specific activities under other programs and reciprocal health care agreements.

Program 10.5: Research capacity and quality

Program Objective

Improve research capacity

The Australian Government recognises the critical role of health and medical research in providing solutions for Australia's current and future health challenges. To meet these challenges it is vital that research institutes, universities, hospitals and health services work closely together to share research findings, and translate these findings into improved clinical practice. In December 2012, the independent Strategic Review of Health and Medical Research in Australia will complete a study aimed at optimising Australia's capacity to produce world class health and medical research to 2020.

Through the Health and Hospitals Fund, the Australian Government has provided $430 million to develop Australia's research capacity and capability and improve the transfer of research outcomes to patient care. In particular, new infrastructure will be funded to support research in the areas of mental health, neurological disorders, child health and Indigenous health.[13] In 2012-13, the Government will actively monitor these projects to ensure that funded organisations deliver on this investment and that research findings are translated into effective patient care.

Maintain effective health surveillance

In order to develop effective health policy and programs, researchers and policy makers must have access to current information. Through the Health Surveillance Fund, the Australian Government supports activities to collect and publish data and statistics on injuries, drug usage and chronic disease. The fund also supports the collection of communicable disease data to supplement the Nationally Notifiable Diseases Surveillance System.

Monitor the use of diagnostics, therapeutics and pathology

Through the Quality Use of diagnostics, therapeutics and pathology fund, the Government funds the National Prescribing Service to provide information to consumers and health professionals on quality use of medicines and medical testing. This includes implementation of MedicineInsight, which will collect data on how medicines are being used in practice. The fund also provides funding for the National Return and Disposal of Unwanted Medicines Program to collect expired and unwanted medicines.

Improve safety and quality in health care

In 2012-13, the Department, in conjunction with states and territories will provide policy direction and funding to the Australian Commission on Safety and Quality in Health Care (ACSQHC).[14]

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[13]   A list of these organisations is available from the Department's website <www.health.gov.au/hhf>.

[14]   For further information on the ACSQHC, refer to its chapter in these Portfolio Budget Statements.

Program 10.5 is linked as follows:

- This Program includes National Partnership Payments for:
  - *Vaccine preventable diseases surveillance*
  - *National antimicrobial utilisation surveillance*
  - *Health and Hospitals Fund – translational research and workforce training.*

  These Partnership Payments are paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury's Portfolio Budget Statements.

Program 10.5 Expenses

Table 10.17: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	124,001	31,372	86,693	86,831	87,228
Special account expenses					
Health and Hospital Fund					
Health Portfolio[1]	194,001	37,605	28,695	-	-
Program support	5,727	5,650	5,676	5,656	5,696
Total Program 10.5 expenses	**323,729**	**74,627**	**121,064**	**92,487**	**92,924**

[1] The Health and Hospitals Fund is recorded as an expense by this department and by the Treasury. For more detailed estimates relating to this program refer Budget Paper 3.

Program 10.5: Deliverables[15]

Table 10.18: Qualitative Deliverables for Program 10.5

Qualitative Deliverables	2012-13 Reference Point or Target
Improve research capacity	
Undertake a review to identify improvement areas for Australia's health and medical research system	Strategic Review of Health and Medical Research in Australia completed by December 2012

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[15] In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

Qualitative Deliverables	2012-13 Reference Point or Target
Maintain effective health surveillance	
Produce relevant and timely evidence-based surveillance data, information and research	Surveillance information available to inform national strategies supported by the Health Surveillance Fund
Monitor the use of diagnostics, therapeutics and pathology	
Information regarding quality use of medicines newly listed on the PBS is provided to health professionals where appropriate	The Department will produce information in a variety of formats throughout the year, including the *Rational Assessment of Drugs and Research*, the *Australian Prescriber* and an annual evaluation report

Program 10.5: Key Performance Indicators

Table 10.19: Qualitative Key Performance Indicators for Program 10.5

Qualitative Indicators	2012-13 Reference Point or Target
Improve research capacity	
Effective monitoring of HHF health and medical research projects for compliance with agreed outputs	Progress reports are received for all projects in the required timeframe and remedial action taken as required

Table 10.20: Quantitative Key Performance Indicators for Program 10.5

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
Monitor the use of diagnostics, therapeutics and pathology					
Number of general practitioners participating in education initiatives	13,000	13,500	14,000	14,500	15,000

Program 10.6: Health infrastructure

Program Objective

Invest in major health infrastructure

The Health and Hospitals Fund (HHF) was established on 1 January 2009 under the *Nation-building Funds Act 2008* and forms part of the Australian Government's broader nation-building infrastructure program. The HHF supports strategic capital investments in health infrastructure to equip Australia's health and hospital system for the future. These investments underpin major improvements in efficiency, access and outcomes of health care through renewal and refurbishment of acute and primary care facilities, medical technology equipment and major medical research facilities and projects.

To date, funding for 224 health infrastructure projects has been allocated under four funding rounds.[16]

The 85 projects funded under HHF Rounds One and Two span three critical areas: the fight against cancer (Program 10.1); translational research and research workforce infrastructure (Program 10.5); and improvement and modernisation of the hospital system (Program 10.6). The 63 projects funded under the 2010 Regional Priority Round (HHF Round Three) will establish new or improved health facilities in regional communities and aim to close the gap in health outcomes between major metropolitan and regional areas of Australia. In the 2011-12 Budget, a further $475 million was announced for a 2011 Regional Priority Round (HHF Round Four). Like Round Three, this round targets regional infrastructure development through the provision of capital funding to projects in regional communities.

In 2012-13, the Government will continue to work with states and territories, non-government organisations, universities and medical research institutes to progress existing HHF projects. The Department will pursue negotiations with a view to finalising agreements with the successful applicants for the 76 projects to be funded under HHF Round Four.

The Health System Capacity Development Fund was established on 1 July 2011 to strengthen primary prevention in Australia by building an understanding of the health needs of population groups and approaches to addressing those needs. The fund's priorities include supporting health, consumer and community organisations; supporting targeted research in the field of primary health care; and supporting population health improvements through a focus on the social determinants of health. In 2012-13 the fund will invest in a range of initiatives to support these priorities.

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16   A list of these projects is available from the Department's webstite at: <www.health.gov.au/hhf>.

Program 10.6 is linked as follows:

- This Program includes National Partnership Payments for:
  - *Health and Hospitals Fund - hospital infrastructure and other projects of national significance.*

  These Partnership Payments are paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury's Portfolio Budget Statements.

Program 10.6 Expenses

Table 10.21: Program Expenses

	2011-12 Estimated actual $'000	2012-13 Budget $'000	2013-14 Forward year 1 $'000	2014-15 Forward year 2 $'000	2015-16 Forward year 3 $'000
Annual administered expenses Special account expenses Health and Hospital Fund					
Health Portfolio[1]	530,203	417,773	411,477	403,299	492,955
Program support	2,478	2,670	2,689	2,680	2,697
Total Program 10.6 expenses	**532,681**	**420,443**	**414,166**	**405,979**	**495,652**

[1] The Health and Hospitals Fund is recorded as an expense by this department and by the Treasury. For more detailed estimates relating to this program refer Budget Paper 3.

Program 10.6: Deliverables[17]

Table 10.22: Qualitative Deliverables for Program 10.6

Qualitative Deliverables	2012-13 Reference Point or Target
Invest in major health infrastructure	
Funding arrangements in place for successful projects under the 2010 Regional Priority Round of HHF grants	Remaining funding agreements signed by 30 June 2013
Development of funding agreements for successful projects under the 2011 Regional Priority Round of HHF grants	Negotiation of funding agreements concluded where practicable by 30 June 2013

Program 10.6: Key Performance Indicators

Table 10.23: Qualitative Key Performance Indicators for Program 10.6

Qualitative Indicators	2012-13 Reference Point or Target
Invest in major health infrastructure	
Effective monitoring of HHF projects for compliance with agreed outputs	Progress reports are received for all projects in the required timeframe and remedial action taken as required

Outcome | **10**

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17 In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.