

### Outcome 3

## ACCESS TO MEDICAL SERVICES

**Access to cost-effective medical, practice nursing and allied health services, including through Medicare subsidies for clinically relevant services**

### Outcome Strategy

The Australian Government, through Outcome 3, provides access to high quality medical, dental and associated services to help people manage their health. This access is provided through the Medicare system. The Government supports eligible people to access clinically relevant services that are accepted by the medical, dental and associated health professions as necessary for the appropriate treatment of patients. The Government also aims to ensure that existing and new Medicare services are safe and cost-effective.

In 2010-11, an estimated 334.1 million medical and associated services, or an average 15 services per capita, will be funded through Medicare.<sup>1</sup> In addition, the Government will provide support for a range of medical services funded outside the Medicare system, including life-saving treatment overseas.

The quality and effective use of diagnostic imaging, pathology and radiation oncology services is an essential part of any contemporary health system. The Government will continue to support these services through improvements to accreditation processes, increased stakeholder engagement and increased funding for procedures and infrastructure.

The Government is seeking to maintain the sustainability of Medicare in the face of rising costs and demand for medical services. To respond to this challenge, funding decisions will be based on the best available evidence, ensuring that taxpayers share in the savings from the use of more efficient technologies and improved medical practice.

Outcome 3 is the responsibility of the Medical Benefits Division, the Acute Care Division and the Mental Health and Chronic Disease Division.

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<sup>1</sup> Medicare Benefits Schedule service volumes: projected figures agreed with Medicare Australia as at Mid-Year Economic and Fiscal Outlook (MYEFO). ERP: ABS 3201.0 Table 9 (released December 2009). Projected ERP: ABS 3222.0 Table 9 Series 'B' (released Sept 2008).

### **Programs Contributing to Outcome 3**

**Program 3.1: Medicare services**

**Program 3.2: Alternative funding for health service provision**

**Program 3.3: Diagnostic imaging services**

**Program 3.4: Pathology services**

**Program 3.5: Chronic disease – radiation oncology**

**Program 3.6: Targeted assistance – medical**

## Outcome 3 Budgeted Expenses and Resources

Table 3.1 provides an overview of the total expenses for Outcome 3 by Program.

**Table 3.1: Budgeted Expenses and Resources for Outcome 3**

	<b>2009-10 Estimated actual \$'000</b>	<b>2010-11 Estimated expenses \$'000</b>
<b>Program 3.1: Medicare services</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	957	2,597
Special appropriations		
<i>Dental Benefits Act 2008</i>	63,121	68,523
<i>Health Insurance Act 1973 - medical benefits</i>	15,635,669	16,171,456
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	29,909	29,585
Revenues from other sources (s31)	799	821
Unfunded depreciation expense	-	581
<b>Total for Program 3.1</b>	<b>15,730,455</b>	<b>16,273,563</b>
<b>Program 3.2: Alternative funding for health service provision</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,253	3,491
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	850	841
Revenues from other sources (s31)	23	23
Unfunded depreciation expense	-	17
<b>Total for Program 3.2</b>	<b>6,126</b>	<b>4,372</b>
<b>Program 3.3: Diagnostic imaging services<sup>1</sup></b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	19,981	6,296
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	2,855	2,824
Revenues from other sources (s31)	76	78
Unfunded depreciation expense	-	55
<b>Total for Program 3.3</b>	<b>22,912</b>	<b>9,253</b>
<b>Program 3.4: Pathology services</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	4,050	4,697
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	3,234	3,199
Revenues from other sources (s31)	86	89
Unfunded depreciation expense	-	63
<b>Total for Program 3.4</b>	<b>7,370</b>	<b>8,048</b>

**Table 3.1: Budgeted Expenses and Resources for Outcome 3 (cont.)**

	<b>2009-10</b>	<b>2010-11</b>
	<b>Estimated actual</b>	<b>Estimated expenses</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Program 3.5: Chronic disease - radiation oncology<sup>1</sup></b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	88,193	82,653
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	4,000	3,956
Revenues from other sources (s31)	107	110
Unfunded depreciation expense	-	78
<b>Total for Program 3.5</b>	<b>92,300</b>	<b>86,797</b>
<b>Program 3.6: Targeted assistance - medical</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	17,176	7,308
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	1,026	1,015
Revenues from other sources (s31)	28	28
Unfunded depreciation expense	-	20
<b>Total for Program 3.6</b>	<b>18,230</b>	<b>8,371</b>
<b>Outcome 3 totals by appropriation type</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	135,610	107,042
Special appropriations	15,698,790	16,239,979
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	41,874	41,420
Revenues from other sources (s31)	1,119	1,149
Unfunded depreciation expense	-	814
<b>Total expenses for Outcome 3</b>	<b>15,877,393</b>	<b>16,390,404</b>
	<b>2009-10</b>	<b>2010-11</b>
<b>Average staffing level (number)</b>	<b>266</b>	<b>247</b>

<sup>1</sup> 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.

## Contributions to Outcome 3

### Program 3.1: Medicare services

#### Program Objective

Through this Program, the Australian Government aims to:

- improve access to evidence-based, best practice medical services; and
- improve access to clinically relevant dental services.

#### Major Activities

##### Improve access to evidence based medical services

###### *Build a Quality Framework for the Medicare Benefits Schedule*

The Australian Government is committed to building a Quality Framework for the Medicare Benefits Schedule (MBS). On 1 January 2010, the Government introduced post-implementation evaluations (usually three years after commencement of the service) for all new MBS items that have not been considered by the Medical Services Advisory Committee. The evaluations will ensure new services have met clinical and Government expectations, and are cost-effective in contemporary clinical use. The Government has also commenced reviewing existing MBS items to ensure that they remain clinically relevant, and that they are reimbursed appropriately, to support cost-effective, evidence based, best practice care. In 2010-11, the Department will continue to work with key stakeholders to refine the process for assessing new MBS items and to establish priorities for further reviews of existing MBS items.

Reviews of both pathology and diagnostic imaging will investigate whether the Government is paying the appropriate amount to support access to quality pathology and diagnostic imaging services. The reviews of pathology and diagnostic imaging will also consider whether the amount the MBS pays for different services should be changed to better reflect costs, and whether some elements should be reimbursed through alternatives to fee-for-service under Medicare. These reviews are being conducted in consultation with health consumers, relevant professionals and other stakeholder groups. The Department will report to Government on the review outcomes, as part of the 2011-12 Budget process.

###### *Medicare Benefits Schedule review*

During 2008-09, the Department undertook a review of the MBS primary care items to reduce red tape, simplify the MBS and encourage preventative health care. As a result of the review, patients can now receive benefits for preventative health care provided by their general practitioner. The red tape has been reduced by condensing 85 primary care items to 33, without any reduction in patients' access to these services and benefits. The changes commenced on 1 May 2010.

The Department adopted a range of strategies to help medical professionals understand the changes. The Minister for Health and Ageing wrote to all medical practitioners to explain the changes. In addition, a suite of supporting materials, including fact sheets and health assessment proformas, were made available in both hardcopy and as downloadable

electronic documents on the Department's website.<sup>2</sup> Short articles about the changes were placed in key professional publications.

#### *Health technology assessments*

The Department will continue to use evidence, obtained through formal health technology assessments, to inform Government decision-making on the circumstances under which public funding should be used to support the use of new medical technologies and procedures. Evidence will continue to be assessed by the Medical Services Advisory Committee, which has a broad base of relevant expertise including clinical, economic and consumer representation to provide advice to the Australian Government.

The Australian Government will develop a cohesive, strategic health technology assessment framework. A new framework will be established to build evidence on health care intervention investment decisions. This will include a coordinated and streamlined interface between the Department and applicants for reimbursement.

The new framework will build on current Government arrangements for the assessment of pharmaceuticals and medical devices, and supports the findings of the *Review of Health Technology Assessment in Australia (December 2009)*<sup>3</sup>, as well as other Government initiatives, including health reform and regulatory reform.

#### **Improve access to clinically relevant dental services**

##### *Medicare Teen Dental Plan*

The Australian Government aims to improve the dental health of Australian teenagers by increasing access for young people to preventative dental checks. The Government provides a voucher to eligible teenagers, once each calendar year, for this check. The voucher provides up to \$157 per eligible teenager between 12-17 years of age in families receiving Family Tax Benefit Part A, or teenagers receiving Youth Allowance, Abstudy, Disability Support Pension, Parenting Payment, Special Benefit, Carer Payment, Double Orphan Pension or support under certain Veterans' education and training assistance schemes.

The assistance provided through the plan helps teenagers develop good oral health habits and encourages them to look after their teeth, once they become independent and leave home. In 2010-11, the Department will work with Medicare Australia, Centrelink, and the Department of Veterans' Affairs to issue these vouchers.

##### *Medicare Chronic Disease Dental Scheme*

The Australian Government has signalled its intention to close the previous government's Medicare Chronic Disease Dental Scheme, in order to make funding available for the introduction of the Commonwealth Dental Health program (providing \$290 million over three years to fund additional public dental services)<sup>4</sup> and the Medicare Teen Dental Plan. However, without the support of the Senate, the Government has been unable to make the

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<sup>2</sup> Accessible at: [www.health.gov.au/internet/main/publishing.nsf/Content/MBRT-1](http://www.health.gov.au/internet/main/publishing.nsf/Content/MBRT-1)

<sup>3</sup> Accessible at: [www.health.gov.au/internet/main/publishing.nsf/Content/hta-review-report](http://www.health.gov.au/internet/main/publishing.nsf/Content/hta-review-report)

<sup>4</sup> For further discussion on this Government initiative, refer to Outcome 13 located later in these Portfolio Budget Statements.

necessary subordinate legislation to close the scheme. Meanwhile, the scheme items remain available.

Program 3.1 is linked as follows:

- Medicare Australia (Department of Human Services) for administering Medicare services and benefits payments, veterans treatment accounts, MBS online claims, electronic claim lodgement and information processing service environment and Medicare teen dental plan under its Delivery of Medical Benefits and Services (Program 1.1).
- Medicare Australia (Department of Human Services) for administering Medicare Rebates electronic claiming Incentive under its Medicare Rebates Electronic Claiming Incentives (Program 1.4).
- Centrelink (Department of Human Services) for administering Medicare Teen Dental Plan under its Service Delivery program (1.1).

### Program 3.1: Expenses

**Table 3.2: Program expenses**

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	957	2,597	-	-	-
Special appropriations					
<i>Dental Benefits Act 2008</i>	63,121	68,523	75,515	83,519	92,159
<i>Health Insurance Act</i>					
1973 - medical benefits	15,635,669	16,171,456	16,817,889	17,904,655	19,173,398
Program support	30,708	30,987	25,420	26,053	24,834
<b>Total Program expenses</b>	<b>15,730,455</b>	<b>16,273,563</b>	<b>16,918,824</b>	<b>18,014,227</b>	<b>19,290,391</b>

### Program 3.1: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

**Table 3.3: Qualitative Deliverables for Program 3.1**

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner

Qualitative Deliverables	2010-11 Reference Point or Target
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings
<b>Improve access to evidence based medical services</b>	
Develop an MBS Quality Framework	Timely consultation with stakeholders, including health consumers, and the establishment of three committees to inform the advice provided to Government
Evaluation plans developed for new MBS items that are not assessed by the Medical Services Advisory Committee	All new MBS items have an evaluation plan developed in consultation with relevant stakeholders prior to listing on the MBS
Methodologies for reviewing MBS items are developed and trialled	Stakeholders collaborate in reviews spanning various aspects of the MBS, such as single items, groups of items and clinical pathways
Results of completed health technology assessments are considered by the Medical Services Advisory Committee to provide advice to the Minister to support evidence-based decision-making	Results of health technology assessments are relevant and appropriate, and are provided to the Medical Services Advisory Committee in a timely manner
Develop a cohesive, strategic health technology assessments framework	Commonwealth health technology assessments processes progressively aligned within the strategic policy framework proposed by the <i>Review of Health Technology Assessment in Australia (December 2009)</i>

**Table 3.4: Quantitative Deliverables for Program 3.1**

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
<b>Improve access to clinically relevant dental services</b>					
Number of vouchers provided to eligible teenagers <sup>5</sup>	2010 1.3m	2011 1.3m	2012 1.3m	2013 1.3m	2014 1.3m

**Program 3.1: Key Performance Indicators**

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.5: Qualitative Key Performance Indicators for Program 3.1**

Qualitative Indicators	2010-11 Reference Point or Target
<b>Improve access to evidence based medical services</b>	
Advice is provided to Government on a strategic, evidence-based framework for managing the MBS into the future	Advice available for consideration in the 2011-12 Budget

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<sup>5</sup> The Medicare Teen Dental Plan operates on a calendar year basis. As such, estimates are for vouchers provided in the relevant calendar year.

**Table 3.6: Quantitative Key Performance Indicators for Program 3.1**

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
<b>Improve access to evidence based medical services</b>					
Number of services delivered through Medicare by providing rebates for items listed on the MBS	316m	334m	352m	371m	393m
<b>Improve access to clinically relevant dental services</b>					
Percentage uptake of preventative dental checks by eligible teenagers <sup>6</sup>	2010 31%	2011 33%	2012 36%	2013 39%	2014 42%

## **Program 3.2: Alternative funding for health service provision**

### **Program Objective**

Through this Program, the Australian Government aims to:

- support access to necessary medical services that may not be available through mainstream mechanisms or which may not be available in Australia.

### **Major Activities**

#### **Medical services not available through mainstream mechanisms**

The Government provides funding and support for a targeted range of services to groups with special needs (such as the homeless, the disadvantaged and the visually impaired), who have difficulty accessing such services through mainstream mechanisms. In 2010-11, the Department will provide grants to effectively overcome access barriers in the delivery of services such as: intervention counselling relating to addiction, lifestyle and social problems, mental health pathology; harm reduction and minimisation, and self care; optometric and orthoptic consultations, scientific aids, assisted technology; and adaptive living aids for targeted individuals requiring low vision and rehabilitation assistance.

The Government, through the Medical Treatment Overseas program, also provides financial assistance for Australians with a life-threatening medical condition. To be eligible for this funding, applicants must meet mandatory medical eligibility criteria before assistance can be provided, including that the life-saving medical treatment is proven, and is not available in Australia in time to benefit the patient. In 2010-11, the Department will

<sup>6</sup> Due to the Medicare Teen Dental Plan being a demand-driven calendar year program, these indicators have been varied from the 2009-10 Portfolio Budget Statements based on the actual take-up rate in the 2009 calendar year.

continue to assess applications made under this program, in accordance with the program guidelines, to determine applicants' eligibility for financial assistance.

A panel of medical advisors assesses eligibility based on information provided by the applicant and obtained by the Department. Applications can be made either prospectively or retrospectively (within two years of the treatment commencing). There is a minimum assessment timeframe of six weeks, which is dependent on the availability of expert advice about the applicants' condition and treatment options in Australia and overseas.

### Program 3.2: Expenses

**Table 3.7: Program expenses**

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	5,253	3,491	3,522	3,553	3,583
Program support	873	881	723	741	706
<b>Total Program expenses</b>	<b>6,126</b>	<b>4,372</b>	<b>4,245</b>	<b>4,294</b>	<b>4,289</b>

### Program 3.2: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

**Table 3.8: Qualitative Deliverables for Program 3.2**

Qualitative Deliverables	2010-11 Reference Point or Target
<b>Medical services not available through mainstream mechanisms</b>	
Regular review of gaps in service provision to ensure program objectives are met	Timely and responsive review process
Provision of health services through the Medical Treatment Overseas program	Eligible Australians with life-threatening conditions are provided with support through the program
Services accessible to those in need	Services delivered in accordance with program criteria and guidelines

**Table 3.9: Quantitative Deliverables for Program 3.2**

<b>Quantitative Deliverables</b>	<b>2009-10 Revised Budget</b>	<b>2010-11 Budget</b>	<b>2011-12 Forward Year 1</b>	<b>2012-13 Forward Year 2</b>	<b>2013-14 Forward Year 3</b>
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
Number of health services provided to eligible Australian residents, that could not be provided through Medicare, due to patient access barriers	36,200	36,400	36,600	36,800	37,000

**Program 3.2: Key Performance Indicators**

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.10: Quantitative Key Performance Indicators for Program 3.2**

<b>Quantitative Indicators</b>	<b>2009-10 Revised Budget</b>	<b>2010-11 Budget Target</b>	<b>2011-12 Forward Year 1</b>	<b>2012-13 Forward Year 2</b>	<b>2013-14 Forward Year 3</b>
<b>Medical services not available through mainstream mechanisms</b>					
Percentage of applications and grants processed within agreed timelines	90%	90%	90%	90%	90%
Percentage of applications for financial assistance under the Medical Treatment Overseas program processed within agreed timelines	90%	90%	90%	90%	90%

## Program 3.3: Diagnostic imaging services

### Program Objective

Through this Program, the Australian Government aims to:

- provide access to safe, efficient and clinically effective diagnostic imaging services, including services performed using X-ray, Computed Tomography, Ultrasound, Magnetic Resonance Imaging, cardiac imaging, Positron Emission Tomography and nuclear medicine technologies.

### Major Activities

#### Safe, cost-effective, clinically relevant diagnostic imaging services

##### *Encourage more effective use of diagnostic imaging*

The Australian Government aims to ensure access to high quality, clinically relevant and cost-effective diagnostic imaging services. In 2010-11, the Department will consolidate and build on its programs designed to improve the quality of diagnostic imaging services. Building on stakeholder consultation during 2009-10, the Department will develop an industry-focused program to fund projects that will improve the quality and safety of diagnostic imaging services provided in Australia.

In addition, the National Prescribing Service will promote evidence-based requests for diagnostic imaging services. The service will undertake a range of activities to improve diagnostic referral quality and consistency including: development of agreed clinical guidelines on appropriate requesting of diagnostic imaging; introduction of education and quality assurance programs for health professionals and consumers; development of referral decision support tools; and introduction of peer feedback programs among practitioners. This additional support and information will help doctors ensure that the diagnostic imaging services they request are the most beneficial for patients. This project will contribute to the sustainability of Medicare-funded services through more appropriate use of diagnostic imaging and pathology services.

##### *Bulk-billing incentives for diagnostic imaging*

The Australian Government introduced bulk-billing incentive payments to support access to Medicare-funded diagnostic imaging services from 1 November 2009. These incentive payments could provide up to 10 per cent of the MBS fee for each out-of-hospital diagnostic imaging service that is bulk-billed to the patient. This will encourage practices to bulk-bill services for patients.

##### *Diagnostic Imaging Accreditation Scheme*

Accreditation of practices providing diagnostic imaging services will help ensure that patients receive access to high quality and safe services. The Australian Government aims to do this through the Diagnostic Imaging Accreditation Scheme, which links the MBS

payment to accredited diagnostic imaging sites for services covered by the Diagnostic Imaging Services Table.<sup>7</sup>

Commencing on 1 July 2010, Stage II of the Diagnostic Imaging Accreditation Scheme will be implemented. Stage II will extend the services covered under Stage I to include non-radiology services such as cardiac imaging, obstetric and gynaecological ultrasound, Positron Emission Tomography and nuclear medicine imaging services. It will also introduce a two-step incremental approach to accreditation against a comprehensive set of accreditation standards developed in consultation with the professional bodies representing the industry.

Program 3.3 is linked as follows:

- This program includes National Partnerships payments for:
  - *PET scanner for Calvary Mater hospital, Newcastle;*
  - *PET scanner for the Royal Hobart hospital; and*
  - *PET scanner for the Westmead hospital, Sydney.*

These Partnerships 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 Portfolio Budget Statements.

### Program 3.3: Expenses

**Table 3.11: Program expenses**

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	19,981	6,296	5,250	5,264	5,312
Program support	2,931	2,957	2,426	2,487	2,371
<b>Total Program expenses</b>	<b>22,912</b>	<b>9,253</b>	<b>7,676</b>	<b>7,751</b>	<b>7,683</b>

### Program 3.3: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

**Table 3.12: Qualitative Deliverables for Program 3.3**

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner

<sup>7</sup> Accessible at: [www9.health.gov.au/mbs/search.cfm?q=diagnostic+imaging+services+table&sopt=S](http://www9.health.gov.au/mbs/search.cfm?q=diagnostic+imaging+services+table&sopt=S)

Qualitative Deliverables	2010-11 Reference Point or Target
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings
<b>Safe, cost-effective, clinically relevant diagnostic imaging services</b>	
The Australian government will develop the framework for a comprehensive, industry-focused program for the funding of activities that improve the quality of diagnostic imaging services within Australia	The establishment of the framework by June 2011
Introduction of Stage II of the Diagnostic Imaging Accreditation Scheme	Stage II implemented by 1 July 2010

**Table 3.13: Quantitative Deliverables for Program 3.3**

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
<b>Safe, cost-effective, clinically relevant diagnostic imaging services</b>					
Number of recommendations made or implemented by the National Prescribing Service	0	2	2	2	0

### Program 3.3: Key Performance Indicators

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.14: Qualitative Key Performance Indicators for Program 3.3**

Qualitative Indicator	2010-11 Reference Point or Target
<b>Safe, cost-effective, clinically relevant diagnostic imaging services</b>	
Implementation of bulk-billing incentives announced in the 2009-10 Budget	Maintain or improve 2009-10 bulk-billing rates

**Table 3.15: Quantitative Key Performance Indicators for Program 3.3**

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
<b>Safe, cost-effective, clinically relevant diagnostic imaging services</b>					
Increase or maintain bulk-billing rates for diagnostic imaging	66%	66%	66%	66%	66%
Number of practices participating in the Diagnostic Imaging Accreditation Scheme	3,000	4,000	4,100	4,200	4,200

### Program 3.4: Pathology services

#### Program Objective

Through this Program, the Australian Government aims to:

- align pathology services with best clinical practice to ensure access to and efficient use of testing.

#### Major Activities

##### Access to pathology services

The Australian Government aims to ensure access to high quality, clinically relevant and cost-effective pathology services. Access to services is improved through bulk-billing incentives, removal of barriers to patient choice of provider, increasing competition in the industry by removing restrictions on the number of collection centres that a provider may operate, and exploration of strategies to ensure access to appropriate pathology testing by

Aboriginal and Torres Strait Islander peoples. This includes ongoing support for the Quality Assurance in Aboriginal and Torres Strait Islander Medical Services (QAAMS) pathology program. The program provides external quality assurance for pathology testing undertaken at the point of care in Indigenous health care services for diabetes management. The program also provides training and ongoing support for health care workers in QAAMS-enrolled services on safe and effective use of the testing devices.

The quality provision of pathology services is managed under two programs. The National Pathology Accreditation program requires that to be eligible for MBS rebates, laboratories must be accredited. The Quality Use of Pathology program supports innovative approaches to improving the quality of pathology services.

These two programs are managed by the Department, and guided by consumer representatives and professionals representing pathologists, scientists and medical practitioners who request pathology services.

The National Prescribing Service will promote evidence-based requests for pathology services. This project will contribute to the sustainability of Medicare-funded services through appropriate use of pathology services. The services will undertake a range of activities to improve diagnostic referral quality and consistency. This will include development of agreed clinical guidelines on appropriate requesting of pathology, introduction of education and quality assurance programs for health professionals and consumers, development of referral decision-support tools, and introduction of peer feedback programs among practitioners. This additional support and information will help doctors ensure that the pathology services they request are the most beneficial for patients.

Since 1 November 2009, bulk-billing incentives are payable per patient episode ranging from \$1.35 to \$3.40. This is paid in addition to the standard MBS rebate and will help ensure continued access to affordable pathology services for patients.

### Program 3.4: Expenses

Table 3.16: Program expenses

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	4,050	4,697	4,742	5,375	5,493
Program support	3,320	3,351	2,749	2,817	2,686
<b>Total Program expenses</b>	<b>7,370</b>	<b>8,048</b>	<b>7,491</b>	<b>8,192</b>	<b>8,179</b>

### Program 3.4: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

**Table 3.17: Qualitative Deliverables for Program 3.4**

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings
<b>Access to pathology services</b>	
Implementation of bulk-billing incentives announced in 2009-10 Budget	Incentives implemented by 1 November 2010
Promote open competition through increasing patient choice of pathology provider	Removal of legislative barriers to allow patient choice

**Table 3.18: Quantitative Deliverables for Program 3.4<sup>8</sup>**

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
<b>Access to pathology services</b>					
Number of new and/or revised national accreditation standards produced for pathology laboratories	4	4	4	4	4

<sup>8</sup> The 2009-10 deliverable titled 'provide funding for the Quality Assurance in Aboriginal and Torres Strait Islander Medical Services program' has been revised and reported as a Key Performance Indicator.

### Program 3.4: Key Performance Indicators

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.19: Qualitative Key Performance Indicators for Program 3.4**

Qualitative Indicator	2010-11 Reference Point or Target
<b>Access to pathology services</b>	
The Quality Assurance in Aboriginal and Torres Strait Island Medical Services program continues to receive endorsement by key Indigenous stakeholder groups	Increased number of health sites enrolled in the voluntary program

**Table 3.20: Quantitative Key Performance Indicators for Program 3.4**

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
<b>Access to pathology services</b>					
Number of health services supported by the Quality Assurance in Aboriginal and Torres Strait Islander Medical Services program	140	150	160	170	170
Percentage of Medicare-eligible laboratories meeting pathology accreditation standards	100%	100%	100%	100%	100%
Value of bulk-billing incentive payments for pathology services	\$59.1m	\$91.6m	\$96.2m	\$101.2m	\$106.7m
Percentage of pathology services that are bulk-billed	86%	86%	86%	86%	86%
Percentage of patients who can exercise choice between available pathology providers	100%	100%	100%	100%	100%

## **Program 3.5: Chronic disease – radiation oncology**

### **Program Objective**

Through this Program, the Australian Government aims to:

- complement the delivery of radiation oncology services under Medicare (Program 3.1) and the Regional Cancer Centres Initiative (Outcome 10) by improving access to, and quality of, appropriately staffed and equipped radiation oncology treatment facilities for Australians with cancer.

### **Major Activities**

#### **Access to radiation oncology services**

The Australian Government aims to improve access to radiation oncology services by funding contributions to capital expansion and increasing the number of people trained in radiation oncology.

In 2010-11, the Department will work to meet the Government's objective through the provision of Radiation Oncology Health Program Grants, which reimburse service providers, over five or ten years, for the cost of major capital equipment used to provide treatment services. This ensures that equipment is replaced in line with best practice recommendations and that patients are treated using current techniques and technologies.

To maintain and expand the specialist workforce needed to provide radiation oncology treatment, the Australian Government will fund training and development programs. The Department will work with educational institutions, professional bodies, treatment centres and state and territory governments to coordinate and provide some financial assistance to increase the trained workforce. In 2010-11, the Australian Government will provide part-funding for radiation therapists during their intern year or professional development year. It will also provide funding for radiation oncology medical physics registrars and radiation oncology medical physics preceptor (clinical tutor) positions. The Department will provide assistance with the development of a university program for medical physics students. Medical physicists calibrate radiation oncology equipment and manage radiation safety.

The Department will also continue to develop a quality framework for the radiation oncology sector. This framework is expected to consist of standards and guidelines, a quality assurance program, monitoring of performance against standards, and accreditation. The Department will continue to work with key stakeholders, including the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA) and the other medical and professional bodies, to develop the quality framework on radiation safety and clinical practice. In 2010-2011, the Department will fund ARPANSA to establish and commence operating an Australian Clinical Dosimetry Centre for an initial period of three years.<sup>9</sup>

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<sup>9</sup> For further information, refer to ARPANSA chapter later in these Portfolio Budget Statements.

Program 3.5 is linked as follows:

- This program includes National Partnerships payments for:
  - Cairns integrated cancer centre;
  - Lismore integrated cancer centre;
  - Tasmanian health package - Radiation Oncology Services in North/North West Tasmania; and
  - Upgrading patient accommodation for Launceston.

These Partnerships 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 Portfolio Budget Statements.

### Program 3.5: Expenses

**Table 3.21: Program expenses**

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	88,193	82,653	72,697	73,497	72,348
Program support	4,107	4,144	3,399	3,484	3,321
<b>Total Program expenses</b>	<b>92,300</b>	<b>86,797</b>	<b>76,096</b>	<b>76,981</b>	<b>75,669</b>

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### Program 3.5: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

**Table 3.22: Qualitative Deliverables for Program 3.5**

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings
<b>Access to radiation oncology services</b>	
Continued development of a framework to improve patient safety and clinical outcomes during radiation treatment	Framework developed and implemented in a timely manner

Qualitative Deliverables	2010-11 Reference Point or Target
Complete a trial of the draft radiation oncology standards, to be used as part of a quality framework for the sector	Trial of standards, including advice and input from the profession, completed September 2010. Proposals for ongoing arrangements to be developed by June 2011

**Table 3.23: Quantitative Deliverables for Program 3.5**

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
<b>Access to radiation oncology services</b>					
Number of Radiation Oncology Health program grants provided to eligible public and private providers	56	61	63	65	67
Number of approved radiation oncology medical physics intern positions funded <sup>10</sup>	25	25	25	N/A	N/A
Number of approved radiation therapy training positions <sup>11</sup>	86	36	N/A	N/A	N/A

<sup>10</sup> Funding ceases in 2011-12.

<sup>11</sup> Funding ceases in 2010-11.

### Program 3.5: Key Performance Indicators

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.24: Qualitative Key Performance Indicators for Program 3.5**

Qualitative Indicators	2010-11 Reference Point or Target
<b>Access to radiation oncology services</b>	
Radiation oncology initiatives are developed to increase workforce capacity to support capital expansions	Workforce research and capital projects are progressed in consultation with the radiation oncology sector to increase the capacity of the sector
Radiation oncology standards reduce adverse outcomes for patients	Trial of radiation oncology standards indicate that the standards are effective

**Table 3.25: Quantitative Key Performance Indicators for Program 3.5**

Quantitative Indicator	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
<b>Access to radiation oncology services</b>					
The number of sites delivering radiation oncology	56	61	63	65	67

### Program 3.6: Targeted assistance – medical

#### Program Objective

Through this Program, the Australian Government aims to:

- provide targeted assistance to eligible people to access health care, currently not covered under existing programs, including breast prostheses reimbursements.

#### Major Activities

##### Targeted assistance

The Australian Government will provide targeted assistance to eligible people for health and medical services not covered by existing programs. The Government provides health care assistance to eligible victims of specific overseas disasters resulting from acts of

terrorism, civil disturbances or natural disasters. In recent years, these have included events such as the Asian tsunami and Bali bombings.

The Reciprocal Health Care Agreements are treaties with certain countries and provide reciprocal access to public health facilities for Australian residents while travelling overseas.

In 2010-11, the Australian Government will continue to implement the National External Breast Prostheses Reimbursement program. This program provides reimbursement of up to \$400 for new or replacement external breast prostheses to eligible women who have had a mastectomy as a result of breast cancer. Reimbursements are accessed through Medicare Australia.

Program 3.6 is linked as follows:

- Medicare Australia (Department of Human Services) – for administering breast cancer prostheses reimbursements.

### Program 3.6: Expenses

Table 3.26: Program expenses

	2009-10 Estimated actual \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	17,176	7,308	8,074	8,074	8,074
Program support	1,054	1,063	872	894	852
<b>Total Program expenses</b>	<b>18,230</b>	<b>8,371</b>	<b>8,946</b>	<b>8,968</b>	<b>8,926</b>

### Program 3.6: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

Table 3.27: Qualitative Deliverables for Program 3.6

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings

Qualitative Deliverables	2010-11 Reference Point or Target
<b>Targeted assistance</b>	
Assistance provided to eligible people who have incurred an injury or ill health as a result of a specific international disaster	Appropriate assistance provided in a timely manner
Reimbursement for breast prostheses provided to eligible women	Appropriate assistance provided in a timely manner

**Table 3.28: Quantitative Deliverables for Program 3.6**

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
<b>Targeted assistance</b>					
Funds available for additional health care assistance to eligible people affected by specific international disasters	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000
Funds available for health care assistance to people under Reciprocal Health Care Agreements	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

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**Program 3.6: Key Performance Indicators**

The following ‘Key Performance Indicators’ measure the impact of the Program.

**Table 3.29: Quantitative Key Performance Indicators for Program 3.6**

Quantitative Indicator	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
<b>Targeted assistance</b>					
Percentage of claims by eligible women under the National External Breast Prostheses Reimbursement Program processed within ten days of lodgement	90%	90%	90%	90%	90%