

# **PORTFOLIO OVERVIEW**



## HEALTH PORTFOLIO OVERVIEW

### Ministers and Portfolio Responsibilities

The Health Portfolio works towards achieving better health and wellbeing for all Australians, now and for future generations.

The Portfolio's services are delivered through the 23 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 Program reporting, and resource allocations for each entity are presented in the respective Entity Resources and Planned Performance sections.

### Ministerial Changes

On 13 February 2016, the Prime Minister, the Hon Malcolm Turnbull MP announced changes to the Ministry. The Hon Sussan Ley MP continued in her role as Minister for Health, Minister for Aged Care and Minister for Sport. Senator the Hon Fiona Nash continued to be the Minister with responsibility for Rural Health. To reflect his existing responsibilities, the Hon Ken Wyatt AM, MP added 'Aged Care' to his title and is now Assistant Minister for Health and Aged Care.

### Portfolio Structure

The Administrative Arrangements Order issued on 30 September 2015, included the following changes to Portfolio responsibilities:

- Ageing and Aged Care functions returned to the Department of Health from the Department of Social Services, including the Australian Aged Care Quality Agency;
- The statutory offices of the Aged Care Commissioner and the Aged Care Pricing Commissioner transferred to the Department of Health; and
- Medicare Provider Compliance for the Medicare Benefits Schedule, Pharmaceutical Benefits Schedule and allied health services transferred to the Department of Health from the Department of Human Services.

There were no changes to the Portfolio as a result of the Administrative Arrangements Order issued on 18 February 2016.

The Department's Outcome and Program structure has also been revised following Machinery of Government changes (refer Section 1.4: *Changes in Entity Outcomes and Programs*).

### Changes to Portfolio Entities

The Australian Government is continuing to reduce the size and complexity of Government through the Smaller Government reforms. These reforms, which include further reducing the number of Government bodies in the Health Portfolio, are reducing overlap, streamlining services and improving efficiency.

### **Australian Digital Health Agency**

The Australian Digital Health Agency (the Digital Health Agency) will commence operation on 1 July 2016. The Digital Health Agency will manage governance, operation and ongoing delivery for digital health. The Digital Health Agency will be established as a Commonwealth Corporate entity under section 87 of the *Public Governance, Performance and Accountability Act 2013, Public Governance, Performance and Accountability (Establishing the Australian Digital Health Agency) Rule 2015*. The Digital Health Agency will replace the National eHealth Transition Authority.

### **National Health Performance Authority**

The National Health Performance Authority will be abolished from 30 June 2016, with its functions transferring to the Australian Institute of Health and Welfare, the Australian Commission on Safety and Quality in Health Care, and the Department of Health.

### **Changes to Health Entity Rationalisation**

As announced in the *2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO)*, the Government will transfer the operational functions of the Independent Hospital Pricing Authority to the Department of Health from 1 July 2016, with the Board, Chief Executive Officer and associated functions retained.

Following the signing of the *Heads of Agreement between the Commonwealth and the States and Territories on Public Hospital Funding* on 1 April 2016, the Government will reinstate the Administrator of the National Health Funding Pool (the Administrator) and the National Health Funding Body (NHFB). The Administrator and the NHFB had been scheduled to cease from 31 March 2018, as announced in the 2015-16 MYEFO.

As announced in the 2015-16 MYEFO, the Government is no longer proceeding with the merger of the National Blood Authority (NBA) and the Organ and Tissue Authority (OTA). Some savings and efficiencies will be achieved by merging the corporate services of these entities.

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

The functions of the Private Health Insurance Administration Council were transferred to the Australian Prudential Regulation Authority and the Department of Health with effect from 1 July 2015.

### **Private Health Insurance Ombudsman**

The responsibilities of the Private Health Insurance Ombudsman were transferred to the Office of the Commonwealth Ombudsman with effect from 1 July 2015.

Portfolio and Minister responsibilities, and a list of the 17 entities currently within the Health Portfolio, can be found in Figure 1.

Figure 1: Portfolio Structure and Outcomes

<p><b>The Hon Sussan Ley MP</b> Minister for Health Minister for Aged Care Minister for Sport</p> <p><b><u>Portfolio Responsibilities</u></b> <i>Department of Health:</i> Outcomes: 1, 2, 3, 4, 5 and 6 <i>Entities:</i> AACQA, ACSQHC, AIHW, ASADA, ASC, ASF, CA, Digital Health Agency, IHPA, NHFB, NHMRC, NMHC and PSR</p>	<p><b>Senator the Hon Fiona Nash</b> Minister for Rural Health</p> <p>Minister Nash is responsible for rural health, including rural and Indigenous health, illicit drug and alcohol policy and food policy.</p> <p><b><u>Portfolio Responsibilities</u></b> <i>Department of Health:</i> Outcome: 2 <i>Entities:</i> FSANZ</p>	<p><b>The Hon Ken Wyatt AM, MP</b> Assistant Minister for Health and Aged Care</p> <p>Assistant Minister Wyatt is responsible for aged care service delivery and implementation, as well as for dementia, multipurpose services, hearing services, NICNAS and OGTR.</p> <p><b><u>Portfolio Responsibilities</u></b> <i>Department of Health:</i> Outcomes: 1, 4, 5 and 6 <i>Entities:</i> ARPANSA, NBA and OTA</p>
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Department of Health<sup>1</sup> – Martin Bowles PSM, Secretary

#### **Outcome 1. Health System Policy, Design and Innovation**

Australia's health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure.

#### **Outcome 2. Health Access and Support Services**

Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce.

#### **Outcome 3. Sport and Recreation**

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

#### **Outcome 4. Individual Health Benefits**

Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance.

#### **Outcome 5. Regulation, Safety and Protection**

Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products.

#### **Outcome 6. Ageing and Aged Care**

Improved wellbeing for older Australians through targeted support, access to quality care and related information services.

<sup>1</sup> The Department's Outcome and Program structure has been revised (refer Section 1.4: *Changes in Entity Outcomes and Programs*).

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

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**Australian Aged Care Quality Agency**

**Nick Ryan** Chief Executive Officer

**Outcome 1.** High-quality care for persons receiving Australian Government subsidised residential aged care and aged care in the community through the accreditation of residential aged care services, the quality review of aged care services including services provided in the community, and the provision of information, education and training to the aged care sector.

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

**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.

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**Australian Digital Health Agency**

**Vacant** Chief Executive Officer

**Outcome 1.** To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians.

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**Australian Institute of Health and Welfare**

**Andrew Kettle** A/g 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.

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**Australian Radiation Protection and Nuclear Safety Agency**

**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.

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**Australian Sports Anti-Doping Authority**

**Ben McDevitt AM APM** Chief Executive Officer

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

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**Australian Sports Commission**

**Simon Hollingsworth** Chief Executive Officer

**Outcome 1.** Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport.

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**Australian Sports Foundation Limited**

**Patrick Walker** Chief Executive Officer

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

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**Cancer Australia**

**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.

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**Food Standards Australia New Zealand**

**Stephen 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.

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**Independent Hospital Pricing Authority**

**James Downie** A/g 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.

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**National Blood Authority**

**Michael Stone** 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.

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

**National Health Funding Body**

**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.

**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 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.

**Organ and Tissue Authority**

**Felicity McNeill A/g** Chief Executive Officer

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

**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.

**STATUTORY OFFICE HOLDERS:<sup>2</sup>**

**Aged Care Complaints Commissioner**

Ms Rae Lamb

**Aged Care Pricing Commissioner**

Ms Kim Cull

**Director, National Industrial Chemicals Notification and Assessment Scheme<sup>3</sup>**

Dr Brian Richards

**Gene Technology Regulator<sup>4</sup>**

Dr Jane Cook (A/g)

For information on resourcing across the Portfolio, please refer to Part 1: *Agency Financial Resourcing in Budget Paper No. 4: Agency Resourcing 2016-17.*

<sup>2</sup> Statutory Office Holders exercise independent statutory functions and are not directly appropriated, therefore they are not separately reported in Section 2: *Outcomes and Planned Performance.*

<sup>3</sup> Refer to Program 5.1 in Section 2: *Outcomes and Planned Performance.*

<sup>4</sup> Ibid.

## Portfolio Resources

Table 1 shows the total resources provided to the Portfolio in the 2016-17 Budget year by entity.

**Table 1: Portfolio Resources 2016-17**

	Appropriations			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
<b>DEPARTMENTAL</b>					
<b>Department of Health</b>	632,210	18,349	-	176,725	827,284
Australian Aged Care Quality Agency	29,512	-	-	6,893	36,405
Australian Commission on Safety & Quality in Health Care	-	-	-	19,354	19,354
Australian Digital Health Agency <sup>1</sup>	110,303	10,589	-	35,600	156,492
Australian Institute of Health and Welfare <sup>1</sup>	26,918	-	-	31,630	58,548
Australian Organ and Tissue Donation and Transplantation Authority	5,784	-	-	-	5,784
Australian Radiation Protection and Nuclear Safety Agency	15,173	-	-	10,046	25,219
Australian Sports Anti-Doping Authority	12,304	-	-	1,709	14,013
Australian Sports Commission <sup>1</sup>	250,669	-	-	22,901	273,570
Australian Sports Foundation Limited	-	-	-	35,180	35,180
Cancer Australia	11,356	-	-	130	11,486
Food Standards Australia New Zealand <sup>1</sup>	17,184	-	-	1,993	19,177
Independent Hospital Pricing Authority	-	-	-	16,417	16,417
National Blood Authority	6,271	-	-	3,671	9,942
National Health Funding Body	4,307	-	-	-	4,307
National Health and Medical Research Council	37,622	-	-	1,500	39,122
National Mental Health Commission	2,778	150	-	-	2,928
Professional Services Review	5,278	-	-	40	5,318
<b>Total departmental</b>	<b>1,167,669</b>	<b>29,088</b>	<b>-</b>	<b>363,789</b>	<b>1,560,546</b>



Table 1: Portfolio Resources 2016-17 (continued)

	Appropriations			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special \$'000	\$'000	\$'000
<b>ADMINISTERED</b>					
<b>Department of Health</b>	8,465,528	150,537	53,068,671	71,064	61,755,800
Australian Organ and Tissue Donation and Transplantation Authority	43,766	-	-	-	43,766
Cancer Australia	17,150	-	-	-	17,150
National Blood Authority	5,190	-	-	1,135,009	1,140,199
National Health and Medical Research Council	852,458	-	-	8,000	860,458
National Mental Health Commission	3,685	-	-	-	3,685
<b>Total administered</b>	<b>9,387,777</b>	<b>150,537</b>	<b>53,068,671</b>	<b>1,214,073</b>	<b>63,821,058</b>
less non-appropriation funding transfers to Corporate entities	-	-	-	(740,942)	(740,942)
<b>Total Portfolio</b>	<b>10,555,446</b>	<b>179,625</b>	<b>53,068,671</b>	<b>836,920</b>	<b>64,640,662</b>

All figures are GST exclusive.

<sup>1</sup> These entities are not directly appropriated as they are corporate entities under the *Public Governance, Performance and Accountability Act 2013*.

