

## 2.1 BUDGETED EXPENSES AND PERFORMANCE

### OUTCOME 1 – HEALTH SYSTEM POLICY, DESIGN AND INNOVATION

Outcome 1

**Outcome 1: 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**

#### Programs Contributing to Outcome 1

<b>Program 1.1:</b>	<b>Health Policy Research and Analysis</b>
<b>Program 1.2:</b>	<b>Health Innovation and Technology</b>
<b>Program 1.3:</b>	<b>Health Infrastructure</b>
<b>Program 1.4:</b>	<b>Health Peak and Advisory Bodies</b>
<b>Program 1.5:</b>	<b>International Policy</b>

Outcome 1 is the responsibility of Digital Health Division, Health Services Division, Health Systems Policy Division, and Research, Data and Evaluation Division.

#### Linked Programs

<b>Commonwealth entity and linked program</b>	<b>Contribution to Outcome 1 made by linked programs</b>
<b>Australian Commission on Safety and Quality in Health Care</b> <b>Program 1.1:</b> Safety and Quality in Health Care	The Australian Commission on Safety and Quality in Health Care contributes to the achievement of this Outcome by working to strengthen safety and quality across Australia’s health care system in order to reduce patient risks and generate efficiencies (1.1).
<b>Australian Digital Health Agency</b> <b>Program 1.1:</b> Digital Health	The Australian Digital Health Agency will contribute to the achievement of this Outcome by managing and governing the national digital health strategy, and the design, delivery and operations of the national digital healthcare system (1.2).
<b>Australian Institute of Health and Welfare</b> <b>Program 1.1:</b> Develop, Collect, Analyse and Report High Quality National Health and Welfare Information and Statistics for Governments and the Community	The Australian Institute of Health and Welfare contributes to the achievement of this Outcome by providing high quality national health related data and analysis (1.1).

<p><b>Department of Foreign Affairs and Trade</b>  <b>Program 1.5:</b>          Payments to International Organisations</p>	<p>The Department of Foreign Affairs and Trade contributes to the achievement of this Outcome by working with the Department of Health in promoting regional and global strategic interests as they relate to health (1.5).</p>
<p><b>Department of Human Services</b>  <b>Program 1.2:</b> Services to the Community – Health</p>	<p>The Department of Human Services contributes to ensuring that Australia’s health system is better equipped to meet current and future health needs by administering the Australian Organ Donor Register (1.1) and supporting the operation of the My Health Record (1.2).</p>
<p><b>Department of Industry, Innovation and Science</b>  <b>Program 2.2:</b> Business and Market Development</p>	<p>The Department of Industry, Innovation and Science contributes to the achievement of this Outcome by working with the Department of Health to implement the Biomedical Translation Fund and strategies aimed at making Australia more competitive in relation to clinical trials (1.1).</p>
<p><b>National Blood Authority</b>  <b>Program 1.1:</b> National Blood Agreement Management</p>	<p>The National Blood Authority works to save and improve Australian lives through a world-class blood supply that is safe, secure, affordable and well-managed (1.1).</p>
<p><b>National Health and Medical Research Council</b>  <b>Program 1.1:</b> Health and Medical Research</p>	<p>The National Health and Medical Research Council contributes to the achievement of this Outcome by developing evidence-based health advice for the Australian community, health professionals and Governments, and providing advice on ethical practice in health care and in the conduct of health and medical research (including clinical trials) (1.1).</p>
<p><b>Organ and Tissue Authority</b>  <b>Program 1.1:</b> A Nationally Coordinated System for Organ and Tissue Donation for Transplantation</p>	<p>The Organ and Tissue Authority works to maximise organ and tissue donation for transplantation by increasing the capacity within the health system, and raising community awareness and stakeholder engagement in support of donation (1.1).</p>
<p><b>The Treasury</b>  <b>Program 1.9:</b> National Partnership Payments to the States</p>	<p>The Treasury makes National Partnership Payments to the State and Territory Governments as part of the Federal Financial Relations Framework.<sup>1</sup> Activities funded through the following National Partnership Agreements contribute to the achievement of the Government’s objectives identified within this Outcome:</p> <ul style="list-style-type: none"> <li>- Hepatitis C settlement fund (1.1)</li> <li>- Health infrastructure projects (1.3)</li> <li>- Construction of Palmerston Hospital (1.3)</li> <li>- Upgrade of Ballina Hospital (1.3)</li> <li>- Albury-Wodonga Cardiac Catheterisation Laboratory (1.3).</li> </ul>

<sup>1</sup> For Budget estimates relating to the National Partnership component of the program, refer to *Budget Paper No. 3* or Program 1.9 of the Treasury’s Portfolio Budget Statements.

**Table 2.1.1: Budgeted Expenses for Outcome 1**

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward Year 1 \$'000	2018-19 Forward Year 2 \$'000	2019-20 Forward Year 3 \$'000
<b>Program 1.1: Health Policy Research and Analysis<sup>1</sup></b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	45,980	42,189	39,255	39,195	37,611
Special Accounts					
Medical Research Future Fund	-	60,876	121,565	214,913	386,373
Special appropriations					
<i>National Health Act 1953</i> - blood fractionation, products and blood related products to National Blood Authority	645,262	711,578	760,645	811,434	864,451
<i>Public Governance, Performance and Accountability Act 2013</i> s77 - repayments	2,000	2,000	2,000	2,000	2,000
Departmental expenses					
Departmental appropriation <sup>3</sup>	10,919	10,311	10,306	10,367	10,372
Expenses not requiring appropriation in the budget year <sup>4</sup>	287	246	248	264	223
<b>Total for Program 1.1</b>	<b>704,448</b>	<b>827,200</b>	<b>934,019</b>	<b>1,078,173</b>	<b>1,301,030</b>
<b>Program 1.2: Health Innovation and Technology</b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	129,182	11,642	634	635	4,880
Non cash expenses <sup>5</sup>	21,662	-	-	-	-
Departmental expenses					
Departmental appropriation <sup>3</sup>	17,488	4,128	3,033	3,047	3,049
Expenses not requiring appropriation in the budget year <sup>4</sup>	289	59	59	63	54
<b>Total for Program 1.2</b>	<b>168,621</b>	<b>15,829</b>	<b>3,726</b>	<b>3,745</b>	<b>7,983</b>

**Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)**

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward Year 1 \$'000	2018-19 Forward Year 2 \$'000	2019-20 Forward Year 3 \$'000
<b>Program 1.3: Health Infrastructure<sup>1</sup></b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	11,380	5,797	8,712	911	911
Special appropriations					
<i>Health Insurance Act 1973</i>					
- payments relating to the former Health and Hospitals Fund <sup>6</sup>	33,197	51,770	17,005	16,048	-
Special Accounts					
Health and Hospitals Fund Health Portfolio <sup>6,7</sup>	54,984	-	-	-	-
Departmental expenses					
Departmental appropriation <sup>3</sup>	5,261	4,861	4,858	4,885	4,888
Expenses not requiring appropriation in the budget year <sup>4</sup>	133	112	113	120	102
<b>Total for Program 1.3</b>	<b>104,955</b>	<b>62,540</b>	<b>30,688</b>	<b>21,964</b>	<b>5,901</b>
<b>Program 1.4: Health Peak and Advisory Bodies</b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	7,008	7,983	7,573	7,479	7,350
Departmental expenses					
Departmental appropriation <sup>3</sup>	5,517	5,058	5,056	5,086	5,089
Expenses not requiring appropriation in the budget year <sup>4</sup>	145	121	122	130	110
<b>Total for Program 1.4</b>	<b>12,670</b>	<b>13,162</b>	<b>12,751</b>	<b>12,695</b>	<b>12,549</b>
<b>Program 1.5: International Policy</b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	14,412	14,340	13,691	13,691	13,691
Departmental expenses					
Departmental appropriation <sup>3</sup>	6,021	5,453	5,450	5,481	5,484
Expenses not requiring appropriation in the budget year <sup>4</sup>	151	126	127	135	114
<b>Total for Program 1.5</b>	<b>20,584</b>	<b>19,919</b>	<b>19,268</b>	<b>19,307</b>	<b>19,289</b>

Table 2.1.1: Budgeted Expenses for Outcome 1 (continued)

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward Year 1 \$'000	2018-19 Forward Year 2 \$'000	2019-20 Forward Year 3 \$'000
<b>Outcome 1 totals by appropriation type</b>					
Administered expenses					
Ordinary annual services <sup>2</sup>	207,962	81,951	69,865	61,911	64,443
Non cash expenses <sup>5</sup>	21,662	-	-	-	-
Special Accounts	54,984	60,876	121,565	214,913	386,373
Special appropriations	680,459	765,348	779,650	829,482	866,451
Departmental expenses					
Departmental appropriation <sup>3</sup> to Special accounts	45,206	29,811	28,703	28,866	28,882
Expenses not requiring appropriation in the budget year <sup>4</sup>	1,005	664	669	712	603
<b>Total expenses for Outcome 1</b>	<b>1,011,278</b>	<b>938,650</b>	<b>1,000,452</b>	<b>1,135,884</b>	<b>1,346,752</b>
	<b>2015-16</b>	<b>2016-17</b>			
<b>Average staffing level (number)</b>	245	185			

<sup>1</sup> Budget estimates for this program exclude National Partnership funding 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 this program, please refer to Budget Paper 3 or Program 1.9 of the Treasury's Portfolio Budget Statements.

<sup>2</sup> Appropriation (Bill No. 1) 2016-17.

<sup>3</sup> Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s74)".

<sup>4</sup> Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

<sup>5</sup> "Non cash expenses" relates to the amortisation of computer software.

<sup>6</sup> The Health and Hospitals Fund Special Account ceased in October 2015 and replaced with a Special Appropriation under the *Health Insurance Act 1973*.

<sup>7</sup> Health and Hospitals Fund Special Account payments to the States and Territories, included in this program, are paid by the Treasury.

### Movement of Funds

	2015-16 Estimated actual \$'000	2016-17 Budget \$'000	2017-18 Forward Year 1 \$'000	2018-19 Forward Year 2 \$'000	2019-20 Forward Year 3 \$'000
<b>Movement of Administered funds between years for Outcome 1</b>					
Program 1.1: Health Policy Research and Analysis					
Medical Research Future Fund	(10,000)	10,000	-	-	-
<b>Total movement of funds</b>	<b>(10,000)</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Planned Performance for Outcome 1

Tables 2.1.2 - 2.1.6 below detail the performance criteria for each program associated with Outcome 1.<sup>2</sup> These tables also summarise how each program is delivered and where 2016-17 Budget measures have created new programs or materially changed existing programs.

**Table 2.1.2 – Performance Criteria for Program 1.1**

<b>Outcome</b>	<b>1: 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</b>
<b>Program</b>	<b>1.1: Health Policy Research and Analysis</b> The Australian Government will invest in medical research, and work to strengthen safety and quality across the health system to reduce patient risks and generate efficiencies. This includes working with States and Territories to ensure a nationally consistent approach to achieving better health outcomes for all Australians. The Government also aims to provide Australians with access to an adequate, safe, secure, and affordable blood supply and access to organ and tissue transplants.
<b>Purpose</b>	Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
<b>Delivery</b>	Program activities, which are intended to benefit the Australian community, will be delivered under the following program objectives: A. Providing support to Council of Australian Governments (COAG) Health Council and the Australian Health Ministers’ Advisory Council (AHMAC) B. Improving research capacity C. Improving safety and quality in health care D. Improving Australians’ access to organ and tissue transplants E. Supporting access to blood and blood products
<b>Program objective</b>	
<b>A. Providing support to Council of Australian Governments (COAG) Health Council and the Australian Health Ministers’ Advisory Council (AHMAC)</b>	
To ensure a nationally consistent focus on achieving better health outcomes, the Australian Government facilitates collaborative policy development with States and Territories through the COAG Health Council, AHMAC and its Principal Committees. The Department will work to ensure that relevant Australian Government priorities are reflected in the activities of the COAG Health Council.	

<sup>2</sup> Progress against the performance criteria published in the 2015-16 Portfolio Budget Statements will be reported in the 2015-16 Annual Report.

Qualitative performance criteria	2016-17 Reference point or target
Work with States and Territories to facilitate a nationally consistent focus on achieving better health outcomes for all Australians. <sup>3</sup>	Australian Government health priorities are progressed through the COAG Health Council.
<b>Program objective</b>	
<b>B. Improving research capacity</b>	
<p>Medical research is vital for the future of the Australian health system, and the Australian economy and it can be life changing for patients. Discoveries in medical research and important medical innovations will continue to contribute to improving the health and wellbeing of Australians.</p> <p>The Medical Research Future Fund (MRFF) may lead to the discovery and development of new medicines and technologies. It will encourage innovation in research and business. The capital-preserved MRFF will provide a sustainable source of funding for important medical research over the medium to longer term, support the sustainability of the health system into the future, and drive further medical innovation. The Australian Medical Research Advisory Board, announced on 4 April 2016, will develop the Australian Medical Research and Innovation Strategy and associated Priorities that will be taken into consideration by Government in making decisions on MRFF disbursements.</p> <p>MRFF disbursements will mature beyond 2020-21 when the capital base is due to reach \$20 billion. Over time, the annual disbursements will reach a billion dollars per annum. This expenditure will add to the research funding already allocated by the National Health and Medical Research Council and new expenditure under the Biomedical Translation Fund (BTF), as a part of the National Innovation and Science Agenda.</p> <p>The BTF will provide a further boost to health and medical research industry by effectively making \$500 million (\$250 million of Commonwealth funds matched by the private sector) available over two years to invest in promising biomedical discoveries. The BTF will complement the MRFF and provide important stimulus to commercialise late stage medical research discoveries with potential. It is intended that the BTF will operate as a for-profit venture fund with an independent governing body selecting private sector fund managers through a competitive process.</p>	
Qualitative performance criteria	2016-17 Reference point or target
Investment in medical research supports sustainability for the health system and drives innovation.	Strategic investment of total available funding in 2016-17.
<i>The Biomedical Translation Fund is established to support commercialisation of Australian health and medical research.</i>	<i>Fund established in 2016.</i>
<i>The disbursement of funds from the MRFF is guided by the Australian Medical Research and Innovation Strategy, and the Australian Medical Research and Innovation Priorities.</i>	<i>The Australian Medical Research and Innovation Strategy, and Medical Research and Innovation Priorities delivered to Government in 2016.</i>

<sup>3</sup> This performance criterion and 2016-17 target have been revised to more effectively measure the program objective.

<b>Program objective</b>	
<b>C. Improving safety and quality in health care</b>	
<p>In 2016-17, the Australian Government, in partnership with States, Territories and the Australian Commission on Safety and Quality in Health Care (ACSQHC),<sup>4</sup> will respond to the first <i>Atlas of Healthcare Variation</i>.</p> <p>The Department, with States and Territories, will also provide policy direction and funding to the ACSQHC to continue its work strengthening safety and quality across the health system to reduce patient risks and generate efficiencies.</p> <p>In 2016-17, the Australian Government, through the Department, will continue its support of clinical registries for high-risk implantable breast and cardiac devices. The initial investment to establish these registries will be extended with a further one year of operational funding.</p>	
<b>Qualitative performance criteria</b>	<b>2016-17 Reference point or target</b>
Relevant evidence-based resources are available to help reduce unwarranted health care variation by changing clinical practice.	Information is available to consumers, clinicians and health services to promote adoption of clinical best practice.
Potential unwarranted health care variation has been identified. <sup>5</sup>	Agreement with relevant stakeholders on unwarranted health care variation for further investigation.
<b>Program objective</b>	
<b>D. Improving Australians' access to organ and tissue transplants</b>	
<p>The Australian Government, through the Department, will continue to support the Organ and Tissue Authority (OTA)<sup>6</sup> in implementing, coordination and monitoring a national approach to organ and tissue donation for transplantation with the aim of increasing Australians' access to life-saving and life-transforming transplants.</p> <p>The Department also supports the Department of Human Services in administering the Australian Organ Donor Register whereby Australians are enabled to register their decision about becoming an organ and/or tissue donor for transplantation after death.</p> <p>On 1 July 2015, the Department assumed the administration of the national Supporting Leave for Living Organ Donors Program. The Program provides financial contribution, via the donor's employer, to alleviate the financial burden for leave taken during the donation process and recovery period.</p> <p>In 2016-17, the Government will formally respond to recommendations following the review of the implementation of the national reform program on organ and tissue donation and transplantation.</p> <p>To provide patients in need of life-saving stem cell transplants with the best possible chance of finding a stem cell match, the Government will support the Australian Bone Marrow Donor Registry and the National Cord Blood Collection Network (Network). In 2016-17, the Government will consider the findings of a review of the Network which is aimed at improving efficiencies and access to cord blood units.</p> <p>In 2016-17, the Government will also continue to provide funding for approved applicants</p>	

<sup>4</sup> For further information on the work of the ACSQHC, refer to the ACSQHC chapter in these Portfolio Budget Statements.

<sup>5</sup> The performance criterion has been reworded for clarity, the target remains unchanged.

<sup>6</sup> For further information on the work of the OTA, refer to the OTA chapter in these Portfolio Budget Statements.



to search for an international match when a domestic one is unavailable, and to access internationally sourced matched donors and stem cells for transplants through the consolidated program known as the Haemopoietic Progenitor Cell Program.					
<b>Qualitative performance criteria</b>		<b>2016-17 Reference point or target</b>			
Support the Australian Bone Marrow Donor Registry and the National Cord Blood Collection Network to identify matched donors and stem cells for transplant.		Increased diversity of tissue types of donors and cord blood units available for transplant.			
Support provided to the Australian Bone Marrow Donor Registry to search for (and transport) matched donors and stem cells internationally, when a domestic match is unavailable for transplant, to meet the needs of eligible Australian patients. <sup>7</sup>		Funding is provided to meet the Commonwealth's agreement with the Australian Bone Marrow Donor Registry, and through that, meet the needs of patients requiring a stem cell transplant.			
<b>Quantitative performance criteria</b>	<b>2015-16 Target</b>	<b>2016-17 Target</b>	<b>2017-18 Target<sup>8</sup></b>	<b>2018-19 Target<sup>9</sup></b>	<b>2019-20 Target<sup>10</sup></b>
Number of searchable Indigenous cord blood units.	N/A <sup>11</sup>	70	N/A	N/A	N/A
Percentage of searchable cord blood units where one or both parents claim ancestry that is not North-West European.	N/A <sup>12</sup>	50%	N/A	N/A	N/A
Number of banked cord blood units					
• Total	1,600	1,600	N/A	N/A	N/A
• Indigenous	50	50	N/A	N/A	N/A
<b>Program objective</b>					
<b>E. Supporting access to blood and blood products</b>					
<p>Under the National Blood Agreement, the Australian Government and States and Territories fund, in the ratio of 63 per cent for the Commonwealth and 37 per cent for the States and Territories, the supply of blood and a range of essential blood products to meet Australia's clinical need, as well as ensuring that their use is efficient, effective, and evidence based. The Government will also work with States and Territories to further reduce avoidable inventory wastage and variations in transfusion practice, and support the strengthening of clinical access arrangements for a range of funded products, particularly immunoglobulins. The Australian Government also provides funding to the Haemophilia Foundation Australia (HFA) to support people with bleeding disorders.</p> <p>Program 1.1 includes continuation of National Partnership Payments for the Hepatitis C settlement fund.</p>					

<sup>7</sup> The performance criterion and reference point have been revised to specify the target group.

<sup>8</sup> Targets for forward years to be determined by Health Ministers following a review scheduled for completion mid-2016.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

<sup>11</sup> This is a new performance criterion for 2016-17, therefore there is no target for 2015-16.

<sup>12</sup> Ibid.

Qualitative performance criteria	2016-17 Reference point or target
Effective planning of the annual blood supply through the National Supply Plan and Budget.	Implementation of the 2016-17 National Supply Plan and Budget that was agreed by all Health Ministers in 2015-16. <sup>13</sup>
The supply of blood and essential blood products are effectively supported in order to meet Australia’s clinical need.	Funding is provided to meet the Commonwealth’s contribution under the National Blood Agreement.
<b>Material changes to Program 1.1 resulting from the following measures:</b>	
<ul style="list-style-type: none"> <li>• <i>Health Flexible Funds – pausing indexation and achieving efficiencies</i></li> </ul>	

**Table 2.1.3 – Performance Criteria for Program 1.2**

<b>Program</b>	<b>1.2: Health Innovation and Technology</b> The Australian Government will lead the way with an electronic health system that aims to meet Australia’s current and future needs.
<b>Purpose</b>	Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
<b>Delivery</b>	Program activities, which are intended to benefit the Australian community, will be delivered under the following program objective: A. Providing national digital health leadership
<b>Program objective</b>	
<b>A. Providing national digital health leadership</b>	
<p>The Australian Government is committed to a national shared electronic health record system. The Australian Digital Health Agency<sup>14</sup> will commence operations on 1 July 2016 and consolidate the operations of the <i>My Health Record</i> into one organisation.</p> <p>Through program 1.2, the Australian Government will continue trials of <i>My Health Record</i> participation arrangements, including opt-out, which is the automatic creation of records where individuals have a <i>My Health Record</i> created for them, unless they choose not to have one (that is, they ‘opt-out’). This is being trialled in Northern Queensland and the Nepean Blue Mountains region of New South Wales. Trials are also being conducted of innovative approaches to increasing participation and use of the <i>My Health Record</i> by individuals and health care providers under the current opt-in system in Ballarat in Western Victoria and Western Australia. The relative effectiveness of these participation arrangements will be compared against the rest of Australia and inform a Government decision expected in 2016-17 about future strategies for bringing forward the benefits of the <i>My Health Record</i> nationally. An independent evaluator has been engaged by the Department to evaluate the outcomes of the trials.</p>	

<sup>13</sup> This performance criterion has been revised. Target reported in the *2015-16 Portfolio Budget Statements* has been achieved.

<sup>14</sup> For further information on the work of the Australian Digital Health Agency, refer to the Digital Health chapter in these Portfolio Budget Statements.

Qualitative performance criteria	2016-17 Reference point or target
Trials of new participation arrangements are undertaken, including for an opt-out system. <sup>15</sup>	Trials to be completed by 31 October 2016.
<b>Material changes to Program 1.2 resulting from the following measures:</b>	
There are no material changes to Program 1.2 resulting from measures.	

**Table 2.1.4 – Performance Criteria for Program 1.3**

<b>Program</b>	<p><b>1.3: Health Infrastructure</b></p> <p>The Australian Government supports the improvement to the health system through strategic investments in health infrastructure.</p> <p>The Australian Government will provide Rural General Practice Grants for existing general practices to strengthen the rural health workforce through additional infrastructure. This will enable general practices to deliver increased health services and increased opportunities to provide teaching and training for health practitioners.</p>
<b>Purpose</b>	Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
<b>Delivery</b>	<p>Program activities, which are intended to benefit the Australian community and assist primary health care practitioners, will be delivered under the following program objectives:</p> <p>A. Improving primary health care infrastructure</p> <p>B. Investing in other major health infrastructure</p>
<b>Program objective</b>	
<b>A. Improving primary health care infrastructure</b>	
<p>The objectives of the program are:</p> <ul style="list-style-type: none"> <li>To provide additional infrastructure and appropriate space to enable rural and regional health practitioners to maintain and increase the level of services locally;</li> <li>To enable existing rural and regional general practices to provide teaching and training opportunities for a range of health professionals within the practice; and</li> <li>To enable existing rural and regional general practices to provide an environment to increase health literacy within the community.</li> </ul> <p>In 2016-17, the Government will better support rural general practices to teach and train the next generation of health workers for country Australia, by redesigning the Rural and Regional Teaching Infrastructure Grants Program to create a more streamlined Rural General Practice Grants Program. Grants will help deliver improved rural health services through additional infrastructure, increased levels of teaching and training, and more opportunities to inform rural communities about healthy living.</p>	

<sup>15</sup> This performance criterion has been revised. Target reported in the 2015-16 Portfolio Budget Statements has been achieved.

Quantitative performance criteria	2015-16 Target	2016-17 Target	2017-18 Target	2018-19 Target	2019-20 Target
<i>Number of Rural General Practice Grants supporting additional infrastructure to enable increased levels of teaching and training for health practitioners.</i>	N/A <sup>16</sup>	30	13	N/A <sup>17</sup>	N/A <sup>18</sup>
<b>Program objective</b>					
<b>B. Investing in other major health infrastructure</b>					
The Department continues to monitor compliance against key project milestones of existing health infrastructure projects, including projects under the former Health and Hospitals Fund.					
<b>Qualitative performance criteria</b>		<b>2016-17 Reference point or target</b>			
Effective monitoring of health infrastructure projects for compliance with agreed outputs. <sup>19</sup>		Reports are received for all projects in the required timeframe and remedial action taken as required.			
<b>Material changes to Program 1.3 resulting from the following measures:</b>					
<ul style="list-style-type: none"> <li><i>Rural General Practice Grants Program</i></li> </ul>					

**Table 2.1.5 – Performance Criteria for Program 1.4**

<b>Program</b>	<b>1.4: Health Peak and Advisory Bodies</b> The Australian Government aims to actively engage with national and peak advisory bodies to inform the development of policies and programs that contribute to the Government’s health agenda.
<b>Purpose</b>	Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
<b>Delivery</b>	Program activities, which are intended to benefit the Australian community through the support of the health sector, will be delivered under the following program objective: A. Supporting the Australian Government with informed policy advice and facilitating engagement with the health sector
<b>Program objective</b>	
<b>A. Supporting the Australian Government with informed policy advice and facilitating engagement with the health sector</b>	
The Australian Government, through the Department of Health, provides an integrated, system-wide policy framework to inform the ongoing policy agenda on health matters and enhance the Department’s strategic policy capability.	

<sup>16</sup> This is a new performance criterion for 2016-17, therefore there is no target for 2015-16.

<sup>17</sup> Grants will be awarded in 2016-17 and 2017-18 only.

<sup>18</sup> Ibid.

<sup>19</sup> This performance criterion has been revised, as the Health and Hospitals Fund ceased on 29 October 2015.

Qualitative performance criteria	2016-17 Reference point or target
Advice obtained from national peak and advisory bodies informs policy and program development.	Funding agreements with a range of national peak and advisory bodies commencing from 1 July 2016. <sup>20</sup>
<b>Material changes to Program 1.4 resulting from the following measures:</b>	
<ul style="list-style-type: none"> <li><i>Health Flexible Funds – pausing indexation and achieving efficiencies</i></li> </ul>	

**Table 2.1.6 – Performance Criteria for Program 1.5**

<b>Program</b>	<b>1.5: International Policy</b> The Australian Government will pursue Australia’s health interests through multilateral engagements, country-to-country partnerships and analysis of international best practice.
<b>Purpose</b>	Lead and shape Australia’s health and aged care systems and sporting outcomes through evidence-based policy, well targeted programs, and best practice regulation.
<b>Delivery</b>	Program activities, which are intended to benefit Australia’s health interests, will be delivered under the following program objective: A. Facilitating international engagement on health issues
<b>Program objective</b>	
<b>A. Facilitating international engagement on health issues</b>	
<p>The Australian Government, through the Department, will continue to monitor international health policy trends and actively engage in international dialogue on health policy challenges.</p> <p>The Health Portfolio maintains the lead responsibility in Australia’s relationship with the World Health Organization (WHO). In 2016-17, together with fellow Member States, Australia will focus on: strengthening the WHO’s ability to respond to health security threats (including through preparedness and surveillance activities); continuing the process to reform the WHO; supporting WHO to assist developing countries build resilient health systems; and supporting non-communicable disease prevention and control efforts (including tobacco control).</p> <p>Preparations are under way for Australia to host the sixty-eighth WHO Western Pacific Regional Committee Meeting in late 2017, providing an important opportunity to pursue regional and global health outcomes. Through this forum and others, the Department will continue to promote and protect Australia’s priority health interests. This effort will be reinforced by active participation in the development of regional health architecture, and engagement on regional health priorities with the East Asia Summit and the Asia-Pacific Economic Cooperation (APEC) Health Working Group.</p> <p>The Department will look to further strengthen the Organisation for Economic Co-operation and Development’s (OECD) health stream of work in 2016-17, particularly in regard to comparative data, digital health and information on health systems. Areas of focus include: quality of care; measuring outcomes; health system financing; and promoting innovation and value for money in health spending.</p> <p>Additionally, the Department will influence international regulatory policy in relation to</p>	

<sup>20</sup> This performance criterion has been revised. Target reported in the 2015-16 Portfolio Budget Statements has been achieved.

therapeutic goods through continued participation in fora such as the International Coalition of Medicines Regulatory Authorities, the International Medical Devices Regulators' Forum and the International Generic Drug Regulators Program, as well as bilateral initiatives such as the Regulatory Cooperation Initiative with Health Canada. <sup>21</sup>					
<b>Qualitative performance criteria</b>		<b>2016-17 Reference point or target</b>			
Reform of the WHO continues to improve global and regional capacity to prevent and respond to health emergencies.		Australia contributes to debate on WHO reform in regional and global governing bodies.			
Australia's interests secured at relevant meetings of key international health bodies and organisations.		Departmental representatives will have actively engaged in meetings of the WHO governing bodies, OECD Health Committee, APEC Health Working Group and other international fora.			
<b>Quantitative performance criteria</b>	<b>2015-16 Target</b>	<b>2016-17 Target</b>	<b>2017-18 Target</b>	<b>2018-19 Target</b>	<b>2019-20 Target</b>
Number of international health delegation visits facilitated by the Department.	15-20	15-20	15-20	15-20	15-20
<b>Material changes to Program 1.5 resulting from the following measures:</b>					
There are no material changes to Program 1.5 resulting from measures.					

<sup>21</sup> Refer to Program 5.1: *Protect the Health and Safety of the Community Through Regulation* for more information about the work of the Therapeutic Goods Administration.