

PORTFOLIO OVERVIEW

HEALTH AND AGEING PORTFOLIO OVERVIEW

PORTFOLIO RESPONSIBILITIES

The Health and Ageing portfolio works towards achieving a health care system that meets the health care and ageing needs of all Australians.

The Health and Ageing portfolio comprises the following agencies:

- the **Department of Health and Ageing** (the Department) – is responsible for achieving the Government’s priorities (outcomes) for population health, pharmaceutical services, medical services, aged care and population ageing, primary care, rural health, hearing services, Indigenous health, private health, health system capacity and quality, mental health, health workforce capacity, acute care, and biosecurity and emergency response;
- the **Aged Care Standards and Accreditation Agency Ltd** (the Agency) – accredits, monitors and promotes high quality care through information, education and training, for Australian Government-funded aged care homes. The Agency is a wholly owned Australian Government company limited by guarantee and is funded through the Department’s appropriations;
- the **Australian Institute of Health and Welfare** (AIHW) – informs community discussion and decision-making through national leadership and collaboration in developing and providing health and welfare statistics and information. The AIHW receives direct appropriation from consolidated revenue;
- the **Australian Radiation Protection and Nuclear Safety Agency** (ARPANSA) – measures and advises on radiation, regulates the Australian Government’s use of radiation sources and nuclear facilities, promotes uniformity in radiation protection policies and practices throughout Australia, and responds to radiological incidents. ARPANSA receives direct appropriation from consolidated revenue;
- **Cancer Australia** – provides national leadership in cancer care, guides improvements in prevention, provides support to consumers and health professionals and makes recommendations to the Australian Government about cancer policy and priorities. Cancer Australia receives direct appropriation from consolidated revenue;
- **Food Standards Australia New Zealand** (FSANZ) – protects and informs consumers through the development of effective food standards, in a way that helps stimulate and support growth and innovation in the food industry. FSANZ receives direct appropriation from consolidated revenue;
- **General Practice Education and Training Ltd** (GPET) – works to ensure general practice education and training meet the needs of communities, individuals and general practitioners across Australia. GPET is an Australian Government company limited by guarantee and is funded through the Department’s appropriations;
- the **National Blood Authority** (NBA) – manages and coordinates the Australian blood supply and manages national contracts with suppliers of blood and blood-related products on behalf of all levels of government. The NBA receives direct appropriation

from consolidated revenue, in addition to a special account administered by the Department and funding received from State and Territory governments;

- the **National Health and Medical Research Council (NHMRC)** – supports health and medical research, develops health advice for the community, health professionals and the government, and provides advice on ethical health care behaviour and the conduct of health and medical research. Since April 1, 2007, the functions and resources of the National Institute of Clinical Studies have been incorporated into those of the NHMRC. The NHMRC receives direct appropriation from consolidated revenue;
- the **Private Health Insurance Administration Council (PHIAC)** – regulates the financial performance of the private health industry, calculates the reinsurance pool, reviews pricing applications, registers health insurance organisations, and provides information relating to membership in private health insurance and the benefits paid by the industry. The PHIAC receives direct appropriation from consolidated revenue;
- the **Private Health Insurance Ombudsman (PHIO)** – provides an independent service for dealing with complaints about private health insurance, and through this activity, identifies underlying problems in the practices of private health funds or health providers relevant to the administration of private health insurance. The PHIO receives direct appropriation from consolidated revenue; and
- the **Professional Services Review (PSR)** – examines suspected cases of inappropriate practice to determine whether health practitioners have inappropriately rendered or initiated services which attract a Medicare benefit, or inappropriately prescribed under the Pharmaceutical Benefits Scheme. The PSR receives direct appropriation from consolidated revenue.

The Portfolio's services are delivered through the 23 outcomes set by the Australian Government for the 2007-08 Budget cycle (refer to Figure 1: Portfolio Structure and Outcomes for a full listing).

Each portfolio agency has developed performance information to determine their effectiveness in achieving agency-specific outcomes. Key strategic directions, performance targets and resource allocations for each agency are presented in the following agency Budget Statements.

In addition, agencies work towards the following whole-of-portfolio targets in relation to the health status of Australians:

- continued improvement in life expectancy for both males and females over time;
- further reductions in infant mortality rates over time;
- additional improvements in disability adjusted life expectancy over time;
- improved life expectancy, health expectancy and infant mortality rates for Aboriginal and Torres Strait Islanders, so that they are comparable with the general population; and
- improved life expectancy, health expectancy and infant mortality rates for low income Australians, so that they are comparable with the general population.

The general health of the Australian community is an important background to consideration of the portfolio's effectiveness. The health status of Australians depends on a

number of factors including the characteristics of the Australian economy and society, as well as the activities of governments in both health and other portfolios.

The Australian Institute of Health and Welfare produces biannual reports that measure performance against these targets, and other statistics and related information concerning Australia's health and welfare. These publications can be found at: <www.aihw.gov.au/publications/index.cfm>.

APPROPRIATIONS AND VARIATIONS AT THE PORTFOLIO LEVEL

There have been no changes to the portfolio as a result of Administrative Arrangement Orders.

Figure 1: Portfolio Structure and Outcomes¹

The Hon Tony Abbott MP Minister for Health and Ageing	The Hon Christopher Pyne MP Minister for Ageing	Senator the Hon Brett Mason Parliamentary Secretary to the Minister for Health and Ageing
<u>Department of Health and Ageing</u>	<u>Portfolio Agencies</u>	
<p>Jane Halton PSM Secretary</p> <p>Outcome 1. Population Health The incidence of preventable mortality, illness and injury in Australians is minimised.</p> <p>Outcome 2. Access to Pharmaceutical Services Australians have access to cost-effective medicines.</p> <p>Outcome 3. Access to Medical Services Australians have access to cost-effective medical services.</p> <p>Outcome 4. Aged Care and Population Ageing Older Australians enjoy independence, good health and wellbeing. High quality, cost-effective care is accessible to frail older people, and their carers are supported.</p> <p>Outcome 5. Primary Care Australians have access to high quality, well-integrated and cost-effective primary care.</p> <p>Outcome 6. Rural Health Improved health outcomes for Australians living in regional, rural and remote locations.</p> <p>Outcome 7. Hearing Services Australians have access through the Hearing Services Program to hearing services and devices.</p> <p>Outcome 8. Indigenous Health Improved access by Aboriginal and Torres Strait Islander peoples to effective primary health care and substance use services and population health programs.</p> <p>Outcome 9. Private Health A viable private health industry to improve the choice of health services for Australians.</p> <p>Outcome 10. Health System Capacity and Quality The capacity and quality of the health care system meet the needs of Australians.</p> <p>Outcome 11. Mental Health Improved mental health care for all Australians.</p> <p>Outcome 12. Health Workforce Capacity Australians have access to an enhanced health workforce.</p> <p>Outcome 13. Acute Care Australians have access to public hospitals and related hospital care underpinned by appropriate medical indemnity arrangements.</p> <p>Outcome 14. Biosecurity and Emergency Response Australia's health system has coordinated arrangements to respond effectively to national health emergencies, including infectious disease outbreaks, terrorism and natural disasters.</p>	<p>Aged Care Standards and Accreditation Agency Ltd Mark Brandon Chief Executive Officer</p> <hr/> <p>Australian Institute of Health and Welfare Dr Penelope Allbon Chief Executive Officer Outcome 1. Better health and wellbeing for Australians through better health and welfare statistics and information.</p> <hr/> <p>Australian Radiation Protection and Nuclear Safety Agency Dr John Loy Chief Executive Officer Outcome 1. The Australian people and the environment are protected from the harmful effects of radiation.</p> <hr/> <p>Cancer Australia Professor David Currow Chief Executive Officer Outcome 1. National consistency in cancer prevention and care that is scientifically based.</p> <hr/> <p>Food Standards Australia New Zealand Dean Stockwell Acting Chief Executive Officer Outcome 1. A safe food supply and well-informed consumers.</p> <hr/> <p>General Practice Education and Training Ltd Erich Janssen Chief Executive Officer</p> <hr/> <p>National Blood Authority Dr Alison Turner Chief Executive Officer Outcome 1. Australia's blood supply is secure and well managed.</p> <hr/> <p>National Health and Medical Research Council Professor Warwick Anderson Chief Executive Officer Outcome 1. Australia's health system benefits from high quality health and medical research conducted at the highest ethical standard, well-developed research capabilities and sound evidence-based advice that informs health policy and practice.</p> <hr/> <p>Private Health Insurance Administration Council Gayle Ginnane Chief Executive Officer Outcome 1. The prudential safety of registered private health insurance funds, the best interests of members of those funds, and a competitive level of private health insurance premiums, are efficiently regulated to support a viable industry.</p> <hr/> <p>Private Health Insurance Ombudsman Samantha Gavel Acting Ombudsman Outcome 1. Consumers and providers have confidence in the administration of private health insurance.</p> <hr/> <p>Professional Services Review Dr Anthony Webber Director Outcome 1. Australians are protected from meeting the cost and associated risks of inappropriate practices of health service providers.</p>	

¹ The portfolio agencies in shaded boxes are funded through the Department's appropriations. All other agencies have direct appropriations from consolidated revenue.

Table P1: Appropriations and Other Revenue for Agencies in the Portfolio

	Appropriations				Receipts ¹	Total
	\$'000 Bill No 1	\$'000 Bill No 2	\$'000 Special approp	\$'000 Total approp	\$'000	\$'000
Departmental						
Department of Health and Ageing	554,234	-	-	554,234	119,571	673,805
National Blood Authority	6,021	-	-	6,021	3,875	9,896
Food Standards Australia New Zealand	18,093	-	-	18,093	3,163	21,256
Australian Radiation Protection and Nuclear Safety Agency	15,867	-	-	15,867	9,253	25,120
Professional Services Review	6,148	-	-	6,148	50	6,198
Aged Care Standards Accreditation Agency	-	-	-	-	5,425	5,425
General Practice Education and Training	-	-	-	-	960	960
Private Health Insurance Administration Council	-	-	4,435	4,435	389	4,824
Private Health Insurance Ombudsman	1,923	-	-	1,923	10	1,933
Australian Institute of Health and Welfare	8,718	-	-	8,718	4,316	13,034
National Health and Medical Research Council	32,700	-	-	32,700	653	33,353
Cancer Australia	3,724	-	-	3,724	-	3,724
Total Departmental	647,428	-	4,435	651,863	147,665	799,528
Administered						
Department of Health and Ageing	3,711,282	1,426,611	39,506,404	44,644,297	11,610	44,655,907
National Blood Authority	7,606	-	-	7,606	253,448	261,054
National Health and Medical Research Council	530,331	-	-	530,331	-	530,331
Private Health Insurance Administration Council	-	-	190,000	190,000	173	190,173
Cancer Australia	17,431	-	-	17,431	-	17,431
Total Administered	4,266,650	1,426,611	39,696,404	45,389,665	265,231	45,654,896
Total Portfolio	4,914,078	1,426,611	39,700,839	46,041,528	412,896	46,454,424
			Equity Injections	15,704		
			Non Operating Administered Assets and Liabilities	-		
			Total Portfolio Appropriations	46,057,232		

¹ Excludes receipts from related entities.

Figure 2: Departmental Appropriation Revenue for Agencies in the Portfolio

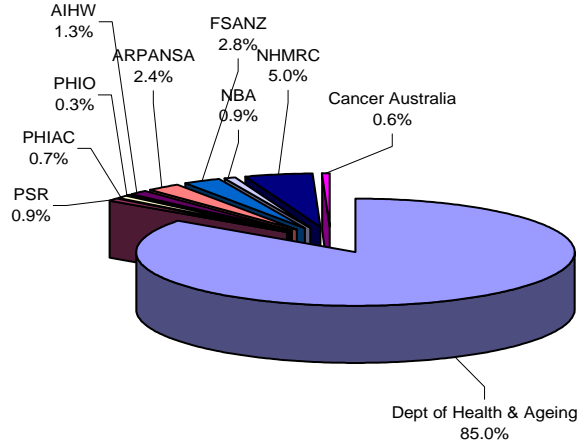
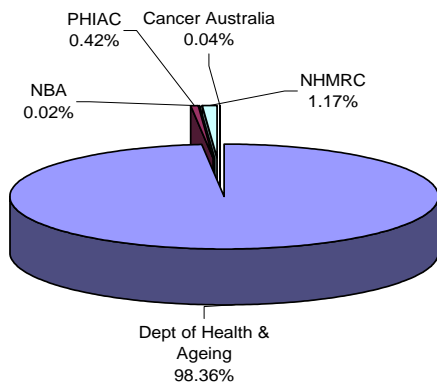


Figure 3: Administered Appropriation Revenue for Agencies in the Portfolio



Australian Government Indigenous Expenditure (AGIE) Health and Ageing Portfolio

Portfolio Table 1: Australian Government Indigenous Expenditure

Outcome	Appropriations				Other \$'000 (E)	Total \$'000 (F)=(D)+(E)
	Bill	Bill	Special	Total		
	No. 1	No. 2	Approp	Approp		
	\$'000 (A)	\$'000 (B)	\$'000 (C)	\$'000 (D)		
Department of Health and Ageing						
Outcome 1 - Population Health						
Administered 2007-08	13,832	-	-	13,832	-	13,832
<i>Administered 2006-07</i>	15,068	-	-	15,068	-	15,068
Departmental 2007-08	815	-	-	815	-	815
<i>Departmental 2006-07</i>	976	-	-	976	-	976
Total Outcome 2007-08	14,647	-	-	14,647	-	14,647
<i>Total Outcome 2006-07</i>	16,044	-	-	16,044	-	16,044
Outcome 2 - Access to Pharmaceutical Services						
Administered 2007-08	-	-	31,306	31,306	-	31,306
<i>Administered 2006-07</i>	-	-	28,074	28,074	-	28,074
Departmental 2007-08	-	-	-	-	-	-
<i>Departmental 2006-07</i>	-	-	-	-	-	-
Total Outcome 2007-08	-	-	31,306	31,306	-	31,306
<i>Total Outcome 2006-07</i>	-	-	28,074	28,074	-	28,074
Outcome 3 - Access to Medical Services						
Administered 2007-08	176	-	31,746	31,923	-	31,923
<i>Administered 2006-07</i>	20	-	26,254	26,274	-	26,274
Departmental 2007-08	-	-	-	-	-	-
<i>Departmental 2006-07</i>	-	-	-	-	-	-
Total Outcome 2007-08	176	-	31,746	31,923	-	31,923
<i>Total Outcome 2006-07</i>	20	-	26,254	26,274	-	26,274
Outcome 4 - Aged Care and Population Ageing						
Administered 2007-08	20,798	-	-	20,798	-	20,798
<i>Administered 2006-07</i>	18,747	-	-	18,747	-	18,747
Departmental 2007-08	704	-	-	704	-	704
<i>Departmental 2006-07</i>	689	-	-	689	-	689
Total Outcome 2007-08	21,502	-	-	21,502	-	21,502
<i>Total Outcome 2006-07</i>	19,436	-	-	19,436	-	19,436
Outcome 5 - Primary Care						
Administered 2007-08	-	-	-	-	-	-
<i>Administered 2006-07</i>	465	-	-	465	-	465
Departmental 2007-08	-	-	-	-	-	-
<i>Departmental 2006-07</i>	-	-	-	-	-	-
Total Outcome 2007-08	-	-	-	-	-	-
<i>Total Outcome 2006-07</i>	465	-	-	465	-	465
Outcome 6 - Rural Health						
Administered 2007-08	9,802	-	-	9,802	-	9,802
<i>Administered 2006-07</i>	9,700	-	-	9,700	-	9,700
Departmental 2007-08	-	-	-	-	-	-
<i>Departmental 2006-07</i>	-	-	-	-	-	-
Total Outcome 2007-08	9,802	-	-	9,802	-	9,802
<i>Total Outcome 2006-07</i>	9,700	-	-	9,700	-	9,700

Portfolio Table 1: Australian Government Indigenous Expenditure (cont)

Outcome	Appropriations				Other \$'000 (E)	Total \$'000 (F)=(D)+(E)
	Bill	Bill	Special	Total		
	No. 1	No. 2	Approp	Approp		
	\$'000 (A)	\$'000 (B)	\$'000 (C)	\$'000 (D)		
Outcome 7 - Hearing Services						
Administered 2007-08	4,688			4,688		4,688
<i>Administered 2006-07</i>	4,526			4,526		4,526
Departmental 2007-08	70			70		70
<i>Departmental 2006-07</i>	83			83		83
Total Outcome 2007-08	4,758	-	-	4,758	-	4,758
<i>Total Outcome 2006-07</i>	4,609	-	-	4,609	-	4,609
Outcome 8 - Indigenous Health						
Administered 2007-08	447,232			447,232		447,232
<i>Administered 2006-07</i>	383,689			383,689		383,689
Departmental 2007-08	57,038			57,038		57,038
<i>Departmental 2006-07</i>	52,183			52,183		52,183
Total Outcome 2007-08	504,270	-	-	504,270	-	504,270
<i>Total Outcome 2006-07</i>	435,872	-	-	435,872	-	435,872
Outcome 10 - Health System Capacity and Quality						
Administered 2007-08	20			20		20
<i>Administered 2006-07</i>	20			20		20
Departmental 2007-08	-			-		-
<i>Departmental 2006-07</i>	-			-		-
Total Outcome 2007-08	20	-	-	20	-	20
<i>Total Outcome 2006-07</i>	20	-	-	20	-	20
Outcome 11 - Mental Health						
Administered 2007-08	700			700		700
<i>Administered 2006-07</i>	1,320			1,320		1,320
Departmental 2007-08	-			-		-
<i>Departmental 2006-07</i>	-			-		-
Total Outcome 2007-08	700	-	-	700	-	700
<i>Total Outcome 2006-07</i>	1,320	-	-	1,320	-	1,320
Outcome 14 - Biosecurity and Emergency Response						
Administered 2007-08	508			508		508
<i>Administered 2006-07</i>	742			742		742
Departmental 2007-08	102			102		102
<i>Departmental 2006-07</i>	100			100		100
Total Outcome 2007-08	611	-	-	611	-	611
<i>Total Outcome 2006-07</i>	842	-	-	842	-	842
Total AGIE 2007-08	556,486	-	63,052	619,538	-	619,538
<i>Total AGIE 2006-07</i>	<i>488,329</i>	-	<i>54,328</i>	<i>542,657</i>	-	<i>542,657</i>

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