

Outcome 6

Rural Health

Improved health outcomes for Australians living in regional, rural and remote locations

OUTCOME SUMMARY

Outcome 6 focuses on improving access to health services for people living in regional, rural and remote areas. The Australian Government aims to achieve this outcome by supporting a diverse range of rural health programs and activities. The Government also funds a number of other rural health initiatives across other portfolio outcomes.¹

Outcome 6 is the responsibility of the Primary and Ambulatory Care Division.

The Year Ahead

In 2007-08, the Australian Government will continue to help people in rural and remote areas to access health services, by funding initiatives under the Rural Health Strategy. This includes programs which fund specialist and allied health services, and primary care in rural and remote Australia. Also included are health promotion and prevention initiatives, emergency evacuations and initiatives to support a greater range of privately insurable health services in these areas. During the year, the Government will focus on maintaining access to care through the Royal Flying Doctor Service.

Key Strategic Directions for 2007-08

During 2007-08, the Australian Government will:

- ensure the long-term sustainability of the Royal Flying Doctor Service.

Under other outcomes, the Government will also:

- improve access to optometric services for people in rural and remote communities (Outcome 3);
- continue to support training for GP registrars in rural and urban areas (Outcome 5);
- improve access to female general practitioners in rural and remote areas (Outcome 5);
- support general practitioners and medical specialists to train and work in locations with an identified undersupply, including rural areas. Focus will also be on attracting medical students to these areas (Outcome 12); and
- continue to support growth at Rural Clinical Schools and University Departments of Rural Health to deliver more rural training opportunities for students (Outcome 12).

¹ A list of rural health initiatives by outcome can be found later in this chapter.

Major Activities

New Funding Arrangements for the Royal Flying Doctor Service

The Australian Government conducted a national review of the Royal Flying Doctor Service in 2005-06 to examine its operational activities, funding and governance arrangements. The review found that additional recurrent funding and the introduction of capital funding was required to improve the organisation's sustainability. It also identified the need for national governance reform.

In 2007-08, the Government will increase funding to the Royal Flying Doctor Service for operational and capital costs, including aircraft replacement, emergency aero-medical evacuations and primary health care services. Funding will also support governance-related initiatives to allow the organisation to operate on a stronger national basis.

The Department has worked in consultation with the Royal Flying Doctor Service and state and Northern Territory health departments to develop new funding arrangements. The arrangements are scheduled to commence in 2007-08.

Rural Health Initiatives by Outcome

Outcome	Rural Health Activity
Outcome 2	Rural and Remote Pharmacy Allowance and Support Program – Scholarships Enhanced Rural and Remote Pharmacy Package
Outcome 3	Visiting Optometrists Scheme Additional Practice Nurses in Rural Australia and Other Areas of Need – Medicare Items
Outcome 4	Multipurpose Services Program Rural and Regional Building Fund (and Viability Supplement) Aged Care Adjustment Grants for Small Rural Facilities* Australian Government Aged Care Nursing Scholarship Program Training for Remote Aged Care Staff Viability Supplement for Community Aged Care in Rural and Remote Areas Targeted Capital Assistance (Rural Australia)

Section 3 – Department Outcomes – 6 Rural Health

Outcome	Rural Health Activity
Outcome 5	Practice Incentives Program Additional Practice Nurses in Rural Australia and Other Areas of Need – Practice Incentives Program payment Training for Rural and Remote Procedural GPs Program Rural and Remote General Practice Rural Locum Relief Program Rural Women’s GP Service Rural Retention Program More Allied Health Services Program* HECS Reimbursement Scheme* New General Practitioner Registrars* Workforce Support for Rural General Practitioners* Strengthening the Health Workforce in Rural and Remote Areas and in Indigenous Communities
Outcome 6	Multipurpose Centre Program Royal Flying Doctor Service Regional Health Services Sub Program* Rural Primary Health Projects Sub Program* Rural Private Access Program* Medical Specialist Outreach Assistance Program* Better Management of Rural Health Programs (Council of Australian Governments)
Outcome 10	Supporting Women in Rural Areas Diagnosed with Breast Cancer Rural Palliative Care Program
Outcome 11	Mental Health Services in Rural and Remote Areas (Council of Australian Governments)
Outcome 12	Additional Practice Nurses in Rural Australia and Other Areas of Need – Training and Support Rural Clinical Schools* University Departments of Rural Health* Rural Australia Medical Undergraduate Scheme* Medical Rural Bonded Scholarships* John Flynn Scholarship Rural Undergraduate Support and Coordination Program Rural Health Support, Education and Training Program Rural Health Education Foundation Rural and Remote Nursing Scholarship Program Rural Allied Health Undergraduate and Postgraduate Scholarship Schemes Advanced Specialist Training Posts in Rural Areas Rural Advanced Specialist Training Support Support Scheme for Rural Specialists*
Outcome 13	Improving access to primary care services in rural and remote areas (Council of Australian Governments)

* Part of the Rural Health Strategy.

Outcome 6 Resourcing

Table 3.1.6 shows how the 2007-08 Budget appropriations translate to total resourcing for Outcome 6, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1.6: Total Resources for Outcome 6

	Estimated actual 2006-07 \$'000	Budget estimate 2007-08 \$'000
Administered appropriations		
Program 6.1: Rural Health Services		
Appropriation Bill 1	109,852	151,082
	109,852	151,082
Total Administered Appropriations	109,852	151,082
Departmental appropriations		
<i>Health and Ageing</i>		
Output Group 1 - Policy Advice	1,088	1,164
Output Group 2 - Program Management	8,886	9,509
Total price of departmental outputs <i>(Total revenue from government and from other sources)</i>	9,974	10,673
Total revenue from government (appropriations) contributing to price of departmental outputs	9,684	10,394
Total revenue from other sources	290	279
Total price of departmental outputs <i>(Total revenue from government and from other sources)</i>	9,974	10,673
Total Price of Outputs for Outcome 6 <i>(Total Revenue from Government and from other sources)</i>	9,974	10,673
Total estimated resourcing for Outcome 6 <i>(Total price of outputs and administered appropriations)</i>	119,826	161,755
	2006-07	2007-08
Average Staffing Level (number)		
Department	106	109

Measures Affecting Outcome 6

A summary of measures affecting this outcome is provided at Table 2.2, Section 2. Measure descriptions are published in full in *Budget Paper No. 2, Budget Measures 2007-08*, available on the Australian Government website at: <www.budget.gov.au>.

Contribution of Administered Programs to Outcome 6

Program 6.1: Rural Health Services

The Rural Health Services program funds a range of services in rural and remote areas, including specialist, allied and community health services. It supports emergency evacuations and privately insurable health services. The program also provides funding for coordination grants for small community health care services, and prevention and promotion activities in remote communities.

Contribution of Departmental Outputs to Outcome 6

The Department describes its core activities in terms of two output groups: policy advice and program management. Outcome 6 reports on both output groups. Refer to Section 3.1 for more information on output groups.

Performance Information for Outcome 6

Performance information for administered programs, individual outputs and output groups relating to Outcome 6 are summarised in Table 3.2.6.

Table 3.2.6: Key Performance Information for Outcome 6

Performance Information for Administered Programs

Indicator	Measured by	Reference Point or Target
Administered Funding – Rural Health Programs		
Provision of ongoing primary health services in rural and remote areas.	Services established and maintained to improve access.	Existing Regional Health Services are maintained and additional remote services are developed.
Establishment of time-limited preventative health initiatives.	Projects established to improve access to preventative health activities.	Existing preventative health initiatives are maintained and additional remote initiatives are developed.
Improved access to specialist and privately insurable health services for rural and remote communities.	Services/projects established and maintained to improve access.	Existing specialist outreach and privately insurable health services are maintained and additional services and projects are developed.
Cost: \$151.082m		

Performance Information for Departmental Outputs

Indicator	Measured by	Reference Point or Target
Output Group 1 – Policy Advice		
Quality, relevant and timely advice for Australian Government decision-making.	Ministerial satisfaction.	Maintain or increase from previous year.
Relevant and timely evidence-based policy research.	Production of relevant and timely evidence-based policy research.	Relevant evidence-based policy research produced in a timely manner.
Price: \$1.164m		

Budget Statements – Department of Health and Ageing

Indicator	Measured by	Reference Point or Target
Output Group 2 – Program Management		
Administered budget predictions are met and actual expenses vary less than 0.5% from budgeted expenses.	Percentage that actual expenses vary from budgeted expenses.	0.5% variance from budgeted expenses.
Stakeholders to participate in program development.	Opportunities for stakeholder participation through a range of avenues, such as surveys, conferences and meetings.	<p>Regional Health Services conduct annual and biannual forums to discuss program issues.</p> <p>Medical Specialist Outreach Assistance Program hosts an annual fund-holders meeting to review and monitor program administration, and hosts an advisory forum in each state and territory to identify service priorities.</p>
Price: \$9.509m		

Evaluations

The Department does not plan to undertake any evaluations under Outcome 6 in 2007-08.

Major Reviews

The Department does not plan to undertake any major reviews under Outcome 6 in 2007-08.

Other Performance Improvement Initiatives

The new funding arrangements for the Royal Flying Doctor Service will aim to improve the long-term viability and sustainability of the organisation. In order to support this objective, the new funding arrangements will require a systematic and streamlined approach to the measurement of the outputs funded; the provision of meaningful information about the efficiency and effectiveness of the services delivered; and national governance reform initiatives. This approach will enable the Australian Government to monitor and review the effective implementation of the new funding arrangements and identify further improvements.