

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30/31 May 2011

Question: E11-572

OUTCOME 1: Population Health

Topic: CHRONIC DISEASE

Written Question on Notice

Senator Boyce asked:

I have a question under 1.1 which relates to the Institute of Health and Welfare's 2001 data, believe it or not, which apparently is the latest we have. It said \$11 million was spent on 12 chronic diseases. Apparently this data has not been collected since then in that way. The diseases are heart, stroke, lung, colorectal, depression, type 2 diabetes, arthritis, osteoporosis, asthma, chronic obstructed pulmonary disease, chronic kidney disease and oral disease.

What are the latest figures for expenditure on those chronic diseases? I realise this may not be something you can just give me off the top of your head.

How are we going about measuring the cost of those chronic diseases now?

What funding does the department currently have in a convenient way, whether it is last year's or forward or whatever, for prevention programs in those 12 chronic disease areas?

Answer:

Reporting major health program expenditure by individual chronic diseases is a significant and complex exercise. Chronic disease and associated risk factors (Australian Institute of Health and Welfare, 2006) reports expenditure by twelve chronic diseases using 2000-01 data.

A project is currently underway to analyse expenditure on disease and injury in Australia for 2008-09. This analysis will be incorporated into the forthcoming Australia's Health 2012 and a number of Australian Institute of Health and Welfare (AIHW) publications.

The 2006 AIHW report also highlights that expenditure on the twelve chronic diseases it covered constituted 87.5 per cent of total recurrent health expenditure in 2000-01. This proportion is unlikely to have changed significantly since 2000-01. As such, a substantial proportion of Australian Government expenditure on major health programs is likely to be for treating chronic disease. In 2009-10, the Australian Government spent over \$39 billion on major health programs.

The Department is not aware of any study which reports total expenditure on prevention by chronic disease. However, prevention programs provide several examples of health programs targeted at chronic disease. In 2009-10, the Australian Government spent over \$66.5 million on prevention activities targeted at chronic disease via programs such as:

- the National Bowel Cancer Screening Program;
- the National Asthma Management Program;
- Reducing the Risk of Type 2 Diabetes budget measure (COAG measure);
- the national Better Arthritis and Osteoporosis Care; and
- a variety of prevention activities to promote healthy behaviours that have an overarching objective of reducing the risk of chronic disease.

In addition, in 2009-10 the Australian Government provided \$10.9 million for elements of the National Partnership Agreement on Preventive Health (NPAPH) which was announced by COAG in 2008. The Australian Government will provide up to \$872.1 million over six years from 2009-10 for a range of initiatives to address the rising prevalence of lifestyle related chronic disease.

Other significant areas of expenditure on prevention, which cannot be easily disaggregated, include screening for cervical cancer under the MBS and funding provided for breast cancer screening under the National Healthcare Specific Purpose Payment.

The Australian Government is also taking strong action to prevent chronic disease exacerbated by smoking, through:

- the introduction of legislation to mandate the plain packaging of tobacco;
- a 25 per cent increase in tobacco excise;
- over \$85 million in investment over the forward estimates in anti-smoking social marketing campaigns;
- legislation to bring restrictions on internet tobacco advertising in Australia into line with restrictions on advertising in other media; and
- the extended listing of nicotine replacement therapies and other smoking cessation supports on the PBS.

The Tobacco Plain Packaging Bill 2011 and the associated Trade Mark Amendment (Tobacco Plain Packaging) Bill 2011 were introduced into the Parliament on 6 July 2011.