

**Department of Health - Budget Estimates 2016-17 Index of Questions on Notice**

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000351	Outcome 4	Gallagher	Hospitals - Activity Based Funding	<p>Senator GALLAGHER: That is my question. What is each individual state's activity growth? What are these figures based on?</p> <p>Mr Cormack: It is the volume multiplied by the national efficient price and the Commonwealth share of that at 45 per cent of growth. That is how you get to those figures. That is what they are based on.</p> <p>Senator GALLAGHER: But I presume they are all slightly different.</p> <p>Mr Cormack: They all slightly different. Each state—</p> <p>Senator GALLAGHER: That is my question: what are they? What did New South Wales tell you about their growth for next year, and what did the ACT say and what did South Australia say?</p> <p>Mr Cormack: We will have to get the figures from the National Health Funding Body to give you the precise activity projections, but we simply lifted those activity projections and incorporated them into the forward funding for 2016-17 and, in the out years, it is based on the 10-year historical growth average of each jurisdiction, independently calculated by the Australian Institute of Health and Welfare. That is the basis of those figures. This clearly demonstrates that the funding that is available to them is consistent with what they are specifying in terms of their future activity for 2016-17. That is the way it works.</p>	pg 15
SQ16-000352	Outcome 2	Seselja	Hospitals - Activity Based Funding	<p>CHAIR: This is total funding. But we can come back to your questions if you would like, Senator Gallagher. I want to do a comparison because we have heard, I think, that the current Chief Minister is still making the claim that there was \$250 million ripped out—I think that was one of the numbers he used. The Deputy Chief Minister of the ACT, I think, claimed \$600 million, so they were not getting their lines right. I have previously asked you questions on this, and I will not go back over all of that, but I still have not been able to find evidence of that. If we compare, for instance, 2016-17, \$340 million, the last year budgeted for by the former government, I just want to see if I have the correct figures. I had \$233 million in 2013-14 for hospitals funding for the ACT.</p> <p>Mr Cormack: I will take that on notice. There is a particular complication for the ACT because, in moving to the current arrangements, the ACT was funded for all activity directly by the Commonwealth under the previous arrangements. In the arrangements that we would have entered into had the 2014-15 budget decision held, the ACT would have had to charge New South Wales for the cross-border activity. We will come back to you on notice to give an explanation of that. The short answer is the growth figures that I outlined to you before.</p>	Pg 17

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000353	Outcome 2	Seselja	Hospitals - Activity Based Funding	<p>CHAIR: Okay. If I compare them, with those provisos—and you can put those provisos on it because I understand those changes, and we discussed this at some previous hearings in terms of trying to get like for like, depending on whether you included the cross-border payments or not—and you can answer this either now or on notice, if I look at the five years that are outlined for the ACT from 2015-16 to 2019-20, I get \$1.842 billion. Is that the number you have?</p> <p>Mr Cormack: I will have to add that up. The overall growth rate from 2015-16 to 2019-20 is 29.3 per cent for the ACT. We will add that up for you.</p> <p>CHAIR: That would be great. And then, for the last budget of the former government—as I say, you can put the provisos in terms of when those different arrangements kick in and whether you are taking into account cross-border payments or not—for that five-year total I had \$1.374 billion. Are you able to maybe on notice confirm that that is in fact right?</p> <p>Mr Cormack: I am happy to take that on notice.</p> <p>CHAIR: If in fact that is right, we are talking about around \$450-odd million or \$470-odd million more over those five years from what is in this budget in the five years and what was in the last Labor budget. Could you take that on notice to just confirm that I have not misunderstood any of those figures.</p> <p>Mr Cormack: Sure.</p> <p>CHAIR: But, if I have understood those figures correctly, that seems a pretty significant jump. Obviously you talk about six per cent and 7.2 per cent. Those percentages tell a bit of a story as well in terms of growth. That is all from me for now.</p>	pg 17
SQ16-000354	Outcome 2	Gallagher	Hospitals - Activity Based Funding	<p>Mr Bowles: Yes, we provided advice on the hospital funding and how we do things, but you will also recall, from your days in a jurisdiction, that there are always arrangements that happen around particular issues that we will look to fund or not fund, and there will be different things that will happen over time around that too, I am sure.</p> <p>Senator GALLAGHER: Yes, I get that, but I cannot believe that there is an agreement struck on hospital funding at COAG more than a month ago; side letters were signed, presumably, to enable there to be no disadvantage for the small jurisdictions under this agreement; and you are telling me that you have not been told by PM&amp;C what those arrangements are or what exposure that has for—</p> <p>Mr Bowles: The money allocated to health is in the budget.</p> <p>Senator GALLAGHER: Just for the purposes of this, you can confirm that PM&amp;C have not provided you with copies of the side letters signed by the Prime Minister around hospital funding for Tasmania and the ACT?</p> <p>Mr Bowles: I will take that on notice. I am not personally aware right at this particular point.</p>	pg 20

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000355	Outcome 2	Gallagher	Hospitals - Activity Based Funding	<p>Senator GALLAGHER: Have the Northern Territory government asked for any extra money?</p> <p>Mr Cormack: We understand that the first minister has written to the Prime Minister asking for some additional funding, but there is no additional funding allocated in the budget.</p> <p>Senator GALLAGHER: So the answer is no? Do we take that as a no?</p> <p>Mr Cormack: There is nothing in the budget, and we are dealing with the contract as per the figures that Ms Cole outlined.</p> <p>Senator GALLAGHER: How much were the Northern Territory government after?</p> <p>Mr Cormack: I do not have that letter in front of us. We are happy to take that on notice.</p>	pg 20
SQ16-000356	Outcome 4	Di Natale	MBS Indexation Freeze	<p>Senator DI NATALE: I see where that question was coming from. And that has effectively been extended.</p> <p>Mr Stuart: It has been extended for specialists. Indexation was briefly reinstated for GPs, and that has then been recommenced in 2014-15. The last indexation for general practice was on 1 July 2014. The first indexation point that was skipped for GPs was 1 July 2015.</p> <p>Senator DI NATALE: And we are now extending it until what date?</p> <p>Mr Bowles: 2019-20. That is two years—2018-19 and 2019-20.</p> <p>Senator DI NATALE: What is the total saving from the period it was first introduced in May 2013?</p> <p>Mr Stuart: We do not have that in front of us.</p> <p>Senator DI NATALE: Perhaps you could just tell us the projected savings in the budget papers.</p> <p>Mr Bowles: In the budget papers it is about \$925 million for the two years 2018-19 and 2019-20.</p> <p>Senator DI NATALE: And you cannot tell us—</p> <p>Mr Bowles: We can take it on notice, but my recollection is that it is around \$1.3 billion.</p>	pg 22

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000357	Outcome 4	Gallagher	Pathology and Diagnostic Imaging - MYEFO	<p>Senator GALLAGHER: Why haven't the instruments been tabled and presented to the Senate?</p> <p>Senator Nash: I would have to take that on notice for you.</p> <p>Senator GALLAGHER: There were some changes announced in December to cut \$650 million over four years, or savings generated of that order, due to come into effect, with a 15-day disallowance period. Why weren't these instruments provided to the Senate to allow time for consideration and also for public scrutiny of what those tables look like?</p> <p>Senator Nash: Again, Senator, it is a matter for Minister Ley. I am happy to take that on notice for you and come back to you.</p> <p>Senator GALLAGHER: Is the government trying to avoid presenting those instruments for some reason?</p> <p>Senator Nash: No, I would not categorise it like that at all. As I say, I am not the minister responsible—I am doing it on behalf of Minister Ley and I am happy to take it on notice for you.</p> <p>Senator GALLAGHER: Again, it seems strange that a pretty significant change announced in December, due to come into effect in six or seven weeks, a change which the industry is certainly raising concerns about, will come into effect the day before a federal election, as it turns out, but we are not going to be provided with any of the information that will show what that means, what the detail is, and be provided with the opportunity to comment on it.</p> <p>Senator Nash: Was that a statement, Senator; is there a question?</p> <p>Senator GALLAGHER: Does the government have a response to that? Why has the government chosen not to table these instruments but has decided to continue with the implementation date?</p> <p>Senator Nash: Again, that is a matter for Minister Ley and I am very happy to take it on notice for you and get some advice.</p> <p>Senator GALLAGHER: Have they been approved by the executive council?</p> <p>Senator Nash: I think, again, we would need to take that on notice for you for Minister Ley.</p> <p>Senator GALLAGHER: Is there any way we can get an answer today on that? It is pretty fundamental—there is a change coming in.</p> <p>Senator Nash: I could not assume anything but I am happy to look at that for you.</p>	pg 28-29
SQ16-000358	Outcome 4	Paterson	Pathology and Diagnostic Imaging - MYEFO	<p>Senator PATERSON: How much has the bulk-billing incentive for pathology cost the government since 2009?</p> <p>Mr Bowles: We might have to take that on notice—we might not have that far back.</p>	pg 29
SQ16-000359	Outcome 4	Gallagher	Pathology and Diagnostic Imaging - MYEFO	<p>Senator GALLAGHER: In relation to the instrument, when did the department prepare the instrument?</p> <p>Mr Stuart: If we were to answer that accurately, we would need to take it on notice—</p>	pg 30

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000360	Outcome 4	Gallagher	Pathology and Diagnostic Imaging - MYEFO	<p>Senator GALLAGHER: From the responses today, and from the letter to the Senate, we can assume that the cuts to pathology and diagnostic imaging will come in on 1 July this year.</p> <p>Mr Stuart: That is a matter for government.</p> <p>Senator GALLAGHER: That is fine. Thank you. Just to confirm, from your point of view, senator representing the minister, as it stands today these cuts will come in on 1 July 2016.</p> <p>Senator Nash: That is my understanding, as I indicated before, but I want to take that on notice to Minister Ley.Senator GALLAGHER: But the scrutiny process will occur after that.</p> <p>Senator Nash: It might actually be best to refer to—there is a paragraph in that letter that might assist. It says: 'The timing of when a legislative instrument should be made by the Governor-General on the advice of the Federal Executive Council is a decision for government. The Senate will have the opportunity to scrutinise the legislative instrument, which has the effect of implementing the MYEFO bulk-billing incentive measure once it has been tabled.' As you would be well aware, there is that opportunity to do that.</p> <p>Senator GALLAGHER: So we can disallow retrospectively, once the change has been—</p> <p>Senator Nash: That is the normal process of disallowance, but, as I said—</p> <p>Senator GALLAGHER: But the normal process of disallowance is that it would sit for the period of time before the date it comes into effect. What we have here is that it is going to come into effect, and then post the election we can look to disallow.</p> <p>Senator Nash: As I have indicated, I will take it on notice and provide any further information that I can for you.</p>	pg 31
SQ16-000361	Outcome 4	Paterson	Child Dental Benefit Schedule	<p>Senator PATERSON: What proportion of eligible children are using the scheme?</p> <p>Mr Maskell-Knight: It is around 30 per cent. I will get you a precise number, but 30 per cent is pretty close.</p>	pg 35
SQ16-000362	Outcome 4	Gallagher	Child Dental Benefit Schedule	<p>Senator GALLAGHER: The budget says: Some savings from these two programs have already been included in the forward estimates.</p> <p>Mr Bowles: Yes. There are two current programs, the national partnership agreement and the child dental benefits scheme. They have been combined into—</p> <p>Senator GALLAGHER: Can you tell me what the savings are, and where you would see those figures?</p> <p>Mr Bowles: Not off the top of my head. I think we might have to take that on notice. We can give you the spend, if you like—the \$1.7 billion over the four years. I think Mr Cormack read out a figure of \$415.6 million before, for 2016-17.</p> <p>Mr Cormack: That is right.</p> <p>Senator GALLAGHER: It says, 'Some savings have been included in the forward estimates.' Can I have that figure?</p> <p>Mr Cormack: We will take that one on notice. We do not have that in front of us.</p> <p>Mr Bowles: Where are you reading from, Senator?</p> <p>Senator GALLAGHER: I think it was in the budget papers.</p> <p>Mr Bowles: We will have to take it on notice to get the actual figures for that.</p>	pg 37
SQ16-000363	Outcome 2	Rice	Indigenous Mental Health	<p>Ms Cole: Indigenous mental health is about \$84 million, but I can get you the exact figure. The suicide funding is about \$6.9 million per year, or around that, and again I can get you the exact figure on that one. There is also the headspace funding—</p>	pg 41

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000364	Outcome 2	Gallagher	Primary Health Networks	<p>Senator GALLAGHER: My quick calculation is that it was around \$9 million across 20-odd PHNs. Can I get a figure on how much money has gone out for needs assessment and planning, and whether all 31 have received funding?</p> <p>Ms Cole: I can confirm that all 31 received funding. The funding was, I guess in a sense, funding to also allow them to engage the staff that they needed to take on the new responsibilities of mental health. [no figure provided for needs assessment and planning]</p>	pg 43
SQ16-000370	Outcome 2	Gallagher	Primary Health Networks	<p>Senator GALLAGHER: Can I get a list of the finalised funds going to each PHN.</p> <p>Ms Cole: Yes.</p>	pg 44
SQ16-000365	Outcome 2	Siewert	Suicide Prevention	<p>Ms Cole: The decision was made in 2014-15?</p> <p>Senator SIEWERT: There was a decision made under the previous government in, I think, 2012-13, which was basically about providing some funding for the overall bucket of money allocated for suicide prevention. Because of the crisis that was happening then, there was an allocation of money. There is a lot of commentary around that that money has, in fact, never been allocated, and I want to know whether it has or not.</p> <p>Ms Cole: That money has been rolled into the PHN pool. I do not know if you were here earlier—there was a list of money. It is \$7.6 million ongoing.</p> <p>Senator SIEWERT: So you are telling me that that money was never actually spent?</p> <p>Mr Cormack: We will have to clarify that question for you. We will take that on notice.</p> <p>Senator SIEWERT: 'Take it on notice' is not going to help me when the election is called.</p> <p>Mr Cormack: We just need to clarify that for you.</p> <p>Mr Bowles: We will come back after lunch and try to clarify that for you.</p> <p>Ms Cole: It is \$6.3 million ongoing; I just need to correct that for you. We will take that on notice.</p> <p>Senator RICE: When you said it to me, it was \$6.9 million.</p> <p>Ms Cole: There are two components; one has gone into the PHN and then there is a small component which is retained for research. The \$6.9 million covers those two components—my apologies.</p> <p>Senator SIEWERT: So \$6.3 million has gone to the PHN—</p> <p>Ms Cole: Yes.</p> <p>Senator SIEWERT: of the \$17.8 million.</p> <p>Ms Cole: Ongoing—it is an ongoing amount each year. I believe the money that you may be talking about might be a four-year figure, but we will double-check for you.</p> <p>Senator SIEWERT: So \$6.3 million for the Kimberley?</p> <p>Mr Cormack: I think we have said we will take it on notice. We will get back to you soon as we can. I do not think you are going to get a clearer or better answer than we can—once we get the material available for you, we will deal with it then. We are not trying to avoid it; we just do not have the information at our fingers now.</p>	pg 47
SQ16-000366	Outcome 2	Gallagher	Primary Health Networks	<p>Senator GALLAGHER: In terms of the funding allocation that has been finalised for the PHNs, could I have that information today? I presume that that is ready at hand.</p> <p>Mr Cormack: Is that all-up, overall funding, or just for this element?</p> <p>Senator GALLAGHER: Just for the mental health reforms.</p> <p>Mr Cormack: We can get that for you.</p>	pg 50

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000367	Outcome 6	Polley	Aged Care	<p>Senator POLLEY: I want to start by congratulating the department on managing to take six program areas and summarise them into four. You have successfully eliminated any resemblance of any detail within that portfolio budget statement. I would like to put on notice that I would appreciate some aged care expenses around things like, for instance, how much is allocated to DACs, DMAS, the flying squads and workforce development—which we know the government is not doing anything on. I would also really appreciate some detail about the expenses involved in My Aged Care, the Commonwealth Home Support Program and the usual sorts of programs that at the moment have all been lumped under one heading. We are going to have time over the next couple of days before the election is called, so if you cannot provide the details today, then we will have to have that on notice. But there are no details at all.</p>	pg 52
SQ16-000349	Outcome 4	Gallagher	Medicare Payments Taskforce	<p>Senator GALLAGHER: I am trying to understand the process. PWC will provide you advice on the best way to manage the project, the taskforce going forward.</p> <p>Mr Bowles: Yes.</p> <p>Senator GALLAGHER: The taskforce will then commence the work based on the advice from PWC and your instruction.</p> <p>Mr Bowles: Yes. The current project will get us to a point where we will create a submission for government to then say yea, nae or 'Do it somewhere differently.' Once we get a decision from government we will then enact that, and that could be in multiple directions still.</p> <p>Senator GALLAGHER: Do you have a budget for PWC?</p> <p>Mr Bowles: I would have to take that on notice, because we are literally only dealing with that this week.</p>	pg 6

PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000350	Outcome 4	Gallagher	Medicare Payments Taskforce	<p>Senator GALLAGHER: The budget has an extra cut of \$182 million from the flexible funds. Can you tell me where those reductions will be and what programs those savings will come from?</p> <p>Mr Bowles: Not at this stage, Senator. You are right, though: \$182.2 million has been saved from the flexible funds from 2017-18. We have been deliberate to make sure that this \$182 million does not impact in the 2016-17 year on the arrangements we already have in place. But we will use the early part of 2016-17 to work through a process similar to the one we have just been going through on the previous savings and we will make some decisions probably at the end of this year how it will impact for the 2017-18 onwards.</p> <p>Senator GALLAGHER: In the portfolio statements, it says, 'The savings will be achieved by reducing uncommitted funds.' Can you tell me what the allocation of uncommitted funds would be as a component of that?</p> <p>Mr Bowles: It changes all the time so I would not be able to give you a definitive answer on that. I can take it on notice and see what we can do at a point in time. But at any point in time, we have uncommitted funds depending on the cycle that we are going through and how we go to market and the like. I can give you a figure on notice but it would be wrong by the time you got it.</p>	pg 6
SQ16-000371	Outcome 6	Polley	Aged Care	<p>Senator POLLEY: I would really appreciate, if you could take it on notice and how much of that funding is left—bearing in mind that we would need to have those answers before the election is called on Sunday. If I could get that, that would be most useful. Then I would like to move on—</p> <p>Senator POLLEY: Excellent, thank you. And if we would get that final amount of funding and anything else that is useful, that would be great. I will go on to my last area, which relates to workforce development. I was wondering whether or not the department is aware of any increase in the number of complaints about the quality of staff training that has been received by providers?</p>	pg 61-62



PDR No	Outcome	Senator	Broad Topic	Question	Hansard/Ref
SQ16-000368	Outcome 2	Siewert	National Aboriginal and Torres Strait Islander suicide program	<p>Mr Cormack: Senator Siewert asked a question about a national Aboriginal and Torres Strait Islander suicide program. The former government committed \$17.8 million over four years, from 2013-14 through to 2016-17, for a national Aboriginal and Torres Strait Islander suicide prevention strategy. That funding has now been provided to PHNs, on an Indigenous population health basis, from 2016-17. This funding is in the forward estimates at \$25 million over the next four years. This is in addition to funding provided through the National Suicide Prevention Strategy, which also funds projects targeted towards Indigenous Australians. This is also separate funding from the \$85 million provided for Indigenous mental health services.</p> <p>Senator SIEWERT: There was some specific money committed to the Kimberley out of that money. Was that ever spent?</p> <p>Mr Cormack: There was a pause in expenditure, from that fund, over 2014-15 and 2015-16 in the lead-up to government consideration of the whole of the mental health sector, following on from the work that the Mental Health Commission undertook. That money is still in the system. I will have to look specifically and further to find out what, if any, was spent over the 2014-15 and 2015-16 financial year. I just do not have that to hand, at the moment.</p> <p>Senator SIEWERT: It was committed in 2013-14, though, you said?</p> <p>Mr Cormack: That is right.</p> <p>Senator SIEWERT: Was there any money committed then, in 2013-14, out of the \$17.8 million? I want to be really clear about this.</p> <p>Mr Cormack: I will have to take that on notice. All I am saying is the money is still there in the forward estimates.</p> <p>Senator SIEWERT: For what it is worth, could you please take on notice how much was spent in the Kimberley from the original commitment.</p>	pg 64
SQ16-000369	Outcome 5	Xenophon	Medical Devices	<p>Senator XENOPHON: We pay a lot more for these medical devices than other comparable nations. Is that right? Can you take that on notice?</p> <p>Mr Bowles: Yes, I do believe that to be the case in certain sectors, not in toto. The private and the public sectors are different in this respect.</p> <p>Senator XENOPHON: Right, but in the private sector we pay a lot more than comparable nations, correct?</p> <p>Mr Bowles: I would have to take it on notice as to specifically where we fit in that list, but overall, yes, we pay a lot of money for prostheses.</p>	pg 66