

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Additional Estimates February 2005

Question: HS10

Outcome 1, Output 1.1: Effective delivery of Australian Government services to eligible customers

Topic: HIC details of all consultancies for 2003-04 financial year

Written Question on Notice:

Senator Carr asked on 15 February 2005:

Please provide a table listing details of all consultancies for the 2003-04 financial year, for the department and all associated agencies within the portfolio. Please include the following:

- (i) The costs for all completed consultancies, both budgeted and actual;
- (ii) The costs for ongoing consultancies, both budgeted and for the current financial year;
- (iii) The total costs for all consultancies, both the amount expended in the current financial year, and the total budgeted value of all consultancies running in the current financial year;
- (iv) The nature and purpose of the consultancy;
- (v) The method by which the contract was let;
- (vi) The name and details of the company and/or individual who is carrying out, or carried out, the contract.

Answers:

Please see the attached table.

AGENCY Health Insurance Commission							
Name of Consultant	Nature and purpose	Method of selection	Completed Y/N	FY 03/04 Expenditure(1)	FY 04/05 Expenditure	Total Expenditure to Dec 04	Total Budget
		(a=spec tech) (b=expert) (c=indep)					See foot note
A C NEILSEN RESEARCH	Provider Feedback Report Study (comments on HIC performance)	a	Y	\$ 14,460.00		\$ 14,460.00	
ACCENTURE AUSTRALIA LTD	Extension of current consultancy arrangements to provide eBusiness integration services; PBS Online Claims processing; Advice in regard to Business Improvement	a/b	N	\$ 3,148,158.50	\$ 158,775.00	\$ 3,306,933.50	
ACCESS ECONOMICS PTY LTD	Pharmaceutical Benefits Improvement Group – Assessing Savings (model to measure and quantify savings outcomes)	a	Y	\$ 213,820.45		\$ 213,820.45	
ACUMEN ALLIANCE	IT Transaction Pricing and Cost Structure; Review effectiveness and efficiency of risk management of optometrical benefits schedule; Conduct an audit on the process of the production replacement and opportunities for improvements to procedures and controls of the Medicare Card; several finance related projects; Business Pricing Aged Care (modelling of costs for the Aged care transfer); DOFA Activity Based Costing Benchmarking Study; PBS Sanctions Review (Review for PBS Compliance looking for available sanctions within PBS); IT Audit;	a		\$ 173,993.75		\$ 173,993.75	
ANTHONY BLUNN	Review of implementation of the recommendation of the report on the examination of the national investigations function	a	Y	\$ 30,000.00		\$ 30,000.00	

	Investigations function					
APIS CONSULTING GROUP	Management Services (Design of style guide to be used for all standard project documentation)	b	Y	\$ 24,044.32		\$ 24,044.32
APPLY	Consultancy with Anne Parkhill; Reference Suite & Web Content Management Solution Training Programs	a	Y	\$ 19,661.03		\$ 19,661.03
A T KEARNEY AUSTRALIA	Business Improvement Checkpoint Review (status report on the environmental changes in the Health Sector since the eBusiness Strategy was developed in 1999)	b	Y	\$ 48,707.56		\$ 48,707.56
BLUE MOON QUANTITATIVE	PBS Restriction and Professional Services Review (Provider research to ascertain understanding of PBS restrictions and Professional Services Review scheme)	a	Y	\$ 30,810.00		\$ 30,810.00
COOLONG CONSULTING (AUST) PTY LTD	Contact Centre Architecture Project (call centre aggregation, national queueing etc)	a/b	Y	\$ 382,383.57		\$ 382,383.57
CUSTOMER SERVICE INSTITUTE OF AUSTRALIA	Consultancy Fees for Charter of Care Review	a	Y	\$ 25,750.00		\$ 25,750.00
DAY AND HODGE ASSOCIATES	Medical Indemnity (Development of Specialist Provider information kit)	a	Y	\$ 12,900.00		\$ 12,900.00
ERNST & YOUNG	Activity Based Costing Benchmarking; DOFA Review	a	Y	\$ 13,770.00		\$ 13,770.00
MICHAEL JOHN PALMER	Review of implementation of the recommendation of the report on the examination of the national investigations function	a	Y	\$ 25,000.00		\$ 25,000.00
THE WORK LAB	Health Survey (Survey providers for readiness for e-business)	b	Y	\$ 34,230.00		\$ 34,230.00
U-NIQ CONSULTING PTY LTD	Glivec Consultancy (Advice for the development of PBS authorities approval for the highly specialised drug – Glivec CML)	a	Y	\$ 12,551.00		\$ 12,551.00
WALTER TURNBULL	Financial and Planning Division Review	a/b	Y	\$ 11,772.73		\$ 11,772.73
WOOLCOTT RESEARCH	Prescription Shopping Project	a/b	Y	\$ 23,970.00		\$ 23,970.00

	Information Service					
BEAMES & ASSOCIATES	Advice in relation to Audit findings	b	Y		\$ 14,577.00	\$ 14,577.00
CLAYTON UTZ	Probity advice	b/c	N		\$ 17,627.00	\$ 17,627.00
O'CONNELL ST ASSOCIATES PTY LTD	Governance Advice	b	Y		\$ 20,000.00	\$ 20,000.00
KPMG AUSTRALIA	Compliance Audit – HESA	c	Y		\$ 20,796.00	\$ 20,796.00
KEYSTONE CORPORATE POSITIONING	Advice in relation to the Strategic Plan	b	Y		\$ 21,500.00	\$ 21,500.00
PHILLIPS FOX	Legal Advice in relation to Medical Indemnity	b/c	Y		\$ 29,370.45	\$ 29,370.45
THE BOSTON CONSULTING GROUP PTY LTD	Review of Data Warehouse	a	Y		\$ 30,800.00	\$ 30,800.00
META GROUP AUST HOLDINGS	Advice in relation to IT Salaries	b/c	Y		\$ 35,000.00	\$ 35,000.00
GIESECKE & DEVRIENT AUSTRALASIA PTY	Advice in relation to smartcard technology	a/b	Y		\$ 39,950.00	\$ 39,950.00
CSIA	Charter of care review	b	N		\$ 70,000.00	\$ 70,000.00
INTERACT CM PTY LTD	Data quality advice	b			\$ 99,146.50	\$ 99,146.50
THE VALUE CREATION GROUP	Advice in regard to Strategic Plan	b	Y		\$ 163,948.63	\$ 163,948.63
TOTAL				\$ 4,245,982.91	\$ 721,490.58	\$ 4,967,473.49

Note 1: HIC is a CAC Act agency. The financial system used by HIC is not set up to readily report contract information that FMA Act agencies are required to deliver. HIC develops project budget plans which incorporate all project costing including consultancies, therefore a detail budget break down for each consultancy is not available.

Note 2: The actual expenditure has been extracted from the financial system to the end of December 2004. There is considerable effort required in getting this data and there has not been sufficient time to obtain the data to the end of February 2005.