

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Budget Estimates Hearing – May 2009

Department of Finance and Deregulation

Finance and Deregulation Portfolio

Outcome 1, Program 1.1

Topic: Department of Health and Ageing Life Saving Drugs Program

Question reference number: F18

Type of Question: Hansard, F&PA 50 and 51, 27 May 2009

Date set by the committee for the return of answer: 10 July 2009

Number of Pages: 1

Senator CORMANN asked:

Senator CORMANN—I will ask the Department of Health and Ageing about the purpose and what is proposed in terms of policy change. But if there will be efficiency gains – and I guess that this is within the purview of the Department of Finance and Deregulation to ensure because that is what the budget is seeking to achieve – why are there no changes to the forward estimates?

Answer:

Health's Portfolio Budget Statement (page 114) refers to the introduction of more consistent and rigorous procedures to improve the efficiency and sustainability of the Life Saving Drugs Program. These changes to procedures include measures to ensure that in the future the Government pays the most appropriate price for new drugs being listed on the program. As the cost of future listings are not included in the current forward estimates, any potential impact from the new administrative arrangements on future listings will not be reflected when these listings occur.