



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

**2013-14 AND 2014-15 FINANCIAL AND PERFORMANCE
OUTCOMES – ENTITY-SPECIFIC QUESTIONNAIRE**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Question 1

The Department has noted that machinery-of-government changes for the Department have caused variances against the Department of Health targets that were set at the time of the 2014-15 Budget.¹ These machinery-of-government changes generally added activities to the existing Department of Health. Please explain what items contributed to 'sales of goods and services' providing \$1,553.4 million for the new combined entity compared to a target of \$1,693.5 million for the former Department of Health.

Page 65 of the 2014-15 Annual Report provides an operating statement, in respect to general government transactions (i.e. equivalent to BP5) for the portfolio.

The BP5 operating statement does not form part of the department's certified accounts, and is derived from the public ledger mapping of the submitted trial balance at financial year end. The public ledger with respect to BP5, includes the consolidation of over 90 hospitals and other health agencies, as well as the department.

The total income from transactions for the portfolio was higher than the Published Budget and slightly higher than the Revised Budget.

The lower than expected income for 'sales of good and services' of \$1553.4 million against a target of \$1693.5 million is related to a reduction in receipts for patient fees (i.e. private patient revenue). This was offset by an increase in 'Other income' which was \$609.6 million against a target of \$395.8 million.

¹ Department of Health and Human Services, *2014-15 Annual Report* (2015), pp.65-9, 69

Question 2

The Committee notes that a number of performance measures listed in the 2013-14 Annual Report (both Department of Health and Department of Human Services) were marked as either ‘preliminary’ or ‘estimate’.

- a. please supply the final actual results, as in the following table:

Measure name	Output	Result reported in Annual Report	Final actual result	Source: BP3 2015-16
Average waiting time for public rental housing for those clients who have received early housing allocation	Housing Assistance	10.8	8.7	p. 261
Number of clients assisted to address and prevent homelessness	Housing Assistance	100,000	99,892	p. 260
Percentage of clients with case plans in homelessness support programs with some, most or all of their case plan goals achieved.	Housing Assistance	90	94	p.261
Proportion of homelessness support episodes where an accommodation need was unable to be either provided or referred ²	Housing Assistance	25	NA	NA
Emergency patients treated within time	Non-Admitted Services (Emergency Services)	75	75	p. 228
Emergency patients with a length of stay of less than four hours	Non-Admitted Services (Emergency Services)	69	69	p. 228
Immunisation coverage: adolescent (Year 10) students fully immunised for DTPa (diphtheria, tetanus and pertussis)	Public Health (Health Protection)	84	84	p.245

² Replaced with new measure in 2014-15 Budget Paper No. 3 that more accurately measure unmet need for accommodation: *Proportion of clients where support to sustain housing tenure was unable to be provided or referred* (Sources: 2013-14 Annual Report – Department of Human Services and Budget Paper No. 3, p. 261)

Measure name	Output	Result reported in Annual Report	Final actual result	Source: BP3 2015-16
Palliative care bed days	Acute Health Services (Admitted Services)	91	91	p.245
Separations	Small Rural Services (Acute Health)	39	39	p.241
Standard Equivalent Value Units	Small Rural Services (Acute Health)	1,219	1,356	p.241
Subacute bed days	Admitted Services (Acute Health)	722	728	p.225
Total separations - all hospitals	Admitted Services (Acute Health)	1,559	1,560	p.225
Unplanned/unexpected readmission for acute myocardial infarction	Admitted Services (Acute Health)	2.3	2.6	p.26
Unplanned/unexpected readmission for heart failure	Admitted Services (Acute Health)	7.2	8.7	p.226
Unplanned/unexpected readmission for hip replacement	Admitted Services (Acute Health)	2.8	2.9	p.226
Unplanned/unexpected readmission for knee replacement	Admitted Services (Acute Health)	5.7	6.7	p.226
Unplanned/unexpected readmission for paediatric tonsillectomy and adenoidectomy	Admitted Services (Acute Health)	2.1	2.5	p.226
Weighted Inlier Equivalent Separations (WIES)	Admitted Services (Acute Health)	24.2	24	p.241
WIES funded emergency separations - all hospitals	Admitted Services (Acute Health)	478	477	p.225
WIES funded separations - all hospitals except small rural health services	Admitted Services (Acute Health)	1,379	1,379	p.225
Workplaces and pubs and clubs complying with smoke-free environment laws	Public Health (Health Advancement)	99	99	p.246

- b. Please advise the Committee where these final actual results are published

Budget Paper No. 3, 2015-16

- c. A total of 59 measures in the 2014-15 Annual Report are marked as either 'preliminary' or 'interim'. When and where will the final results be made public for these measures? If these results are available on the Department's website, please give the specific URL for the location.

Tuesday 3 May 2016; Budget Paper No. 3, 2016-17

Question 3

Please supply initial budget estimate and actual employee expenses for the following health agencies for 2014-15:

Health agency	Employee expenses anticipated (\$ million)	Actual employee expenses (\$ million)	Explanation for variances
Monash Health	982.2	997.80	Higher overtime and allowances due to higher activity.
Alfred Health	655	665	Alfred Health's revenue for 2014-15 was 2.6 per cent higher than budget reflecting a higher than budgeted activity level. Employee expenses were 1.5 per cent higher than budget due to the cost of delivering that activity.
Eastern Health	609.8	612.1	Salaries only 0.6 per cent higher than budget – due mainly to staff mix.
Melbourne Health	663	670	The higher than budgeted employee expenses was in line with favourable revenue variance.
Western Health	462.6	463.4	\$0.8 million overrun is from additional expenditure required to service slightly greater than forecast patient activity.
Austin Health	567.9	573.8	Mainly relates to the mix of employees between labour categories.

Question 4

The Department reports in the 2014-15 Annual Report (p.67) that Net disposal of investments – policy purposes for 2014-15 was a cash inflow of \$14.3 million. Please advise:

- a. what the investments were that returned cash to the Department. If the investments were through projects in sectors other than the general government sector, please identify the project(s), using the same names as identified in Budget Paper No.4 if applicable.

Page 67 of the 2014-15 Annual Report provides a cash flow statement, with respect to general government transactions (i.e. equivalent to BP5) for the portfolio.

The BP 5 cash flow statement does not form part of the department's certified accounts, and is derived from the public ledger mapping of the submitted trial balance at financial year end. The public ledger with respect to BP5 includes the consolidation of over 90 hospitals and other health agencies, as well as the department.

In relation to the specific inflow of \$14.3 million relating to net disposal of investments – policy purposes for 2014-15, this account relates to net movements in general government investments and is made up of:

1. departmental investment in a joint venture interest with Monash University in respect of the Australian Regenerative Medical Institute which transferred from the Department of Economic Development, Jobs, Transport and Resources as part of the machinery of government changes
2. joint venture interests entered into by the public hospitals with alliances outside general government
3. a reduction in the equity investment in public hospitals as a result of a land transfer outside of general government.

- b. what policy outcome was intended to be achieved through the investments

Not Applicable

- c. how the Department can determine whether the policy outcome was achieved.

Not Applicable