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# **Public Accounts and Estimates Committee**

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## **Budget Estimates Hearings Health Portfolio 2011 -12**

Minister for Health and Ageing, Hon. David Davis MP

# Agenda

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- Legacy Issues
- Commonwealth State Relations
- Health and Ageing Budget highlights
- Victorian Health Priorities Framework 2011-2022: Metropolitan Health Plan



# Legacy Issues

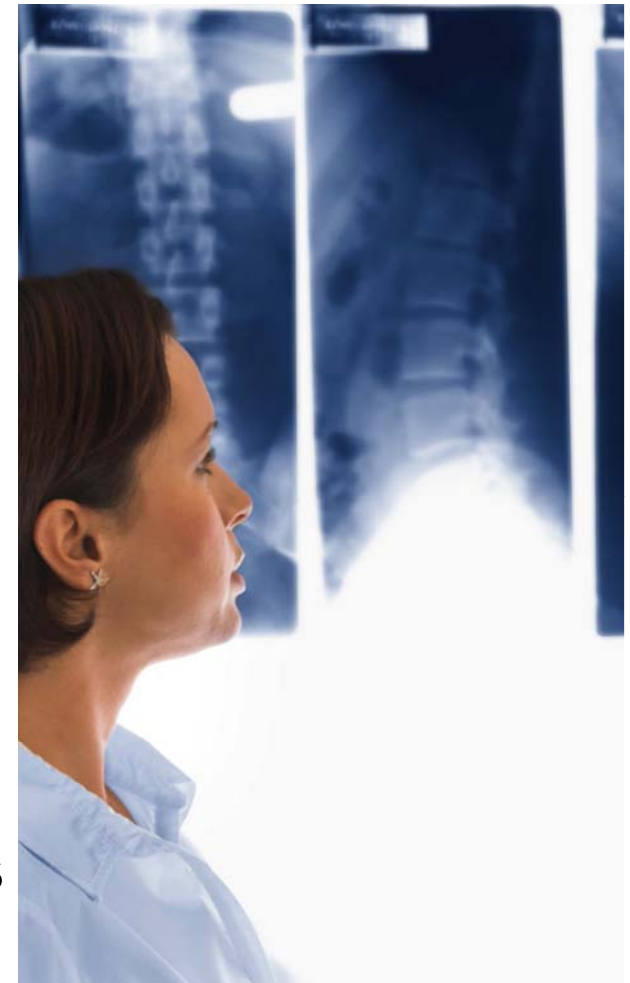
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- Issues identified on appointment to Office:
  - Reliance on non-recurrent funding for recurrent services
  - Lapsing funding
  - National Reform agreement detrimental to Victoria
  - Price pressures, (public holiday funding)
  - Ambulance Victoria facing significant financial pressure
  - Multiple industrial awards to be renegotiated
  - Health*SMART* implementation issues
  - Unfunded capital projects

# Commonwealth/State Relations

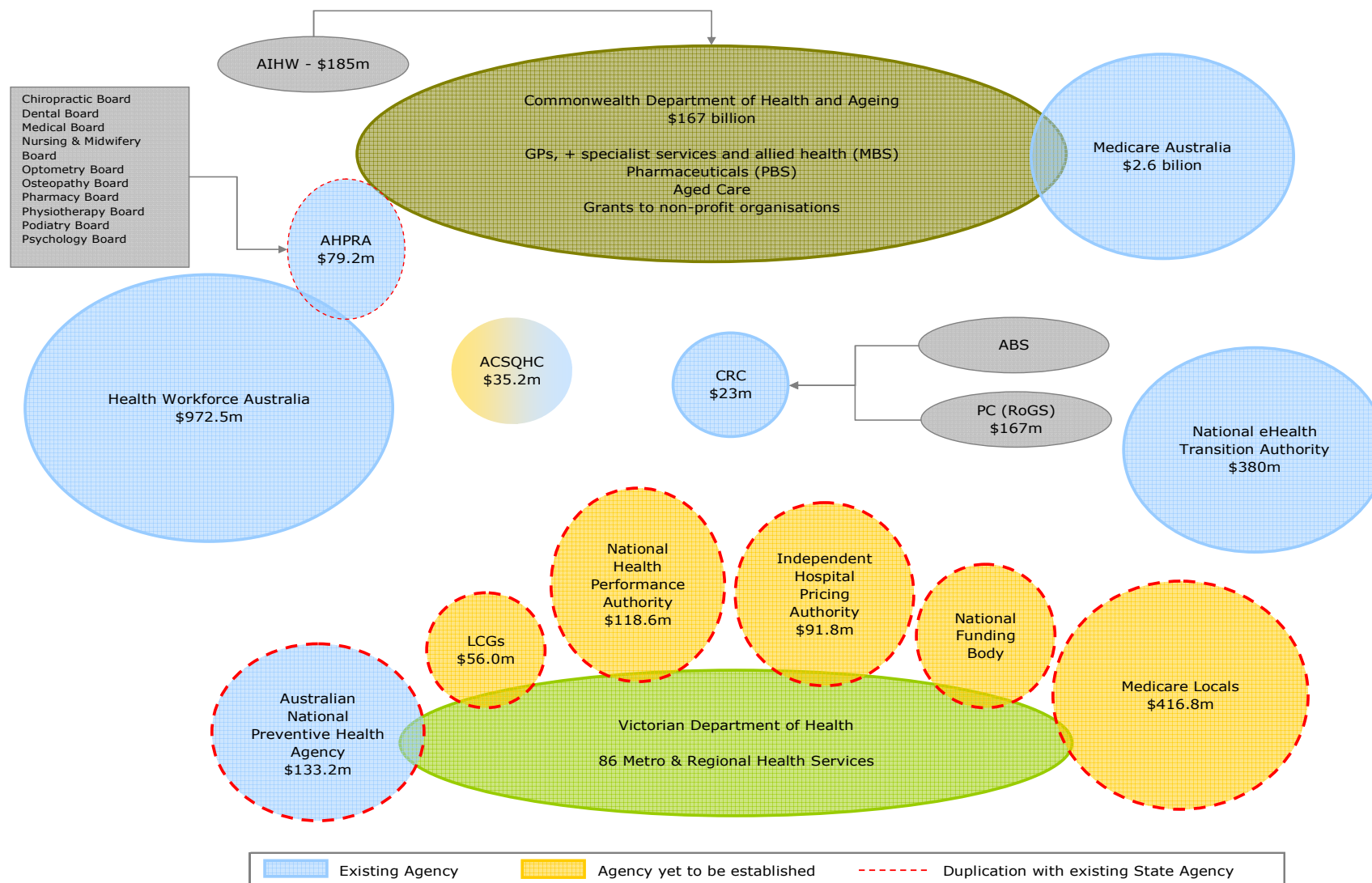
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- Inter-governmental issues have created uncertainty for health budgeting and planning.
  - Commonwealth Grants Comm. Recommendations reduces GST revenue
  - National Health Reform Agreement 'under development'
  - Unresolved 'implementation plans'
  - Health and Hospital Fund bids outcome unknown
  - Poorly defined promises and allocations



# Commonwealth/State Relations

## COMMONWEALTH HEALTH AGENCIES



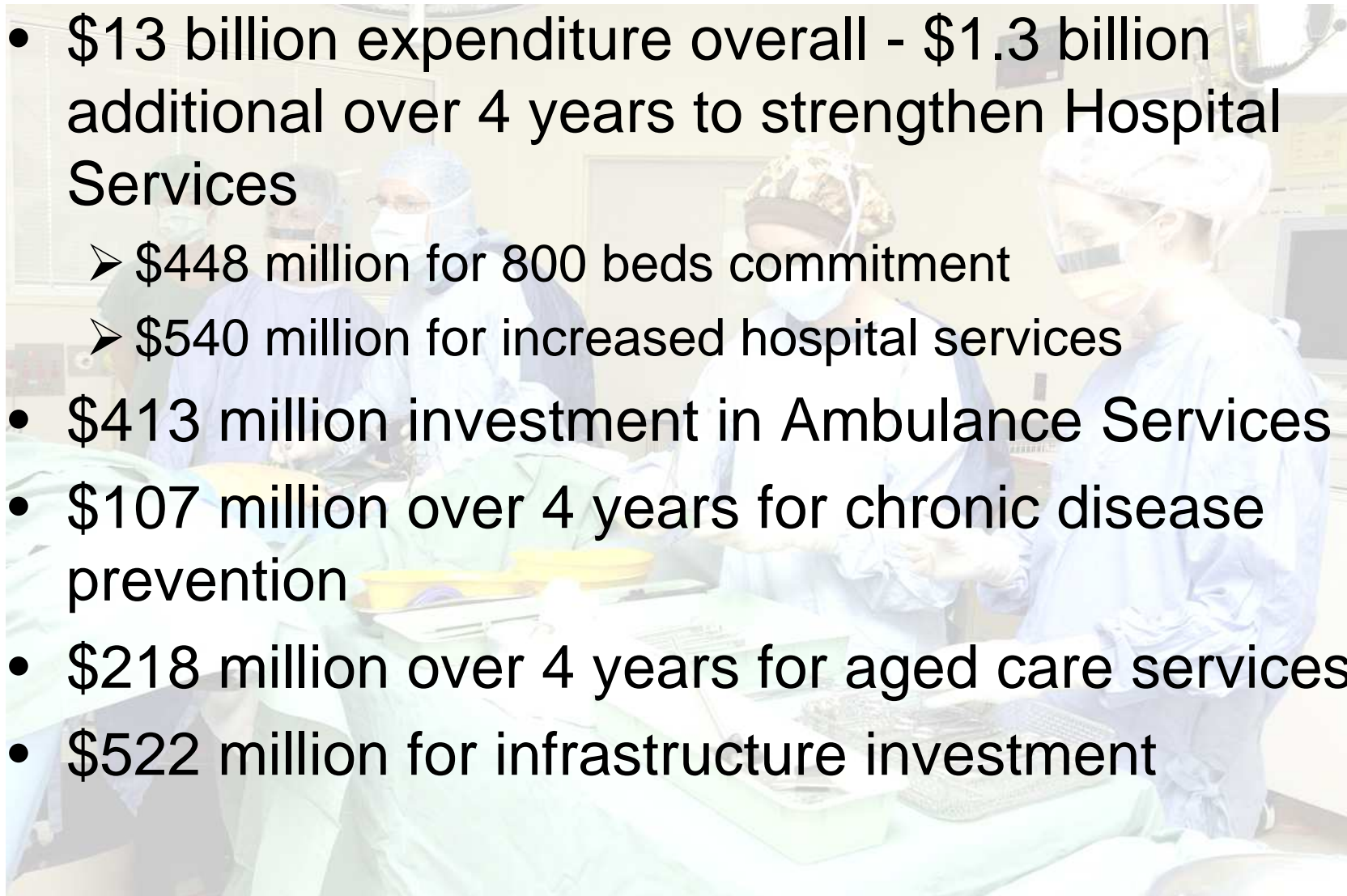
### Notes:

1. Funding is over four years and some agencies funding is an estimates based on one year.
2. Table 1 provides a overview of the overlap with State Agencies
3. FTE figures sourced from Annual Reports or Agency publications where available

# Health Budget Highlights

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- \$13 billion expenditure overall - \$1.3 billion additional over 4 years to strengthen Hospital Services
  - \$448 million for 800 beds commitment
  - \$540 million for increased hospital services
- \$413 million investment in Ambulance Services
- \$107 million over 4 years for chronic disease prevention
- \$218 million over 4 years for aged care services
- \$522 million for infrastructure investment

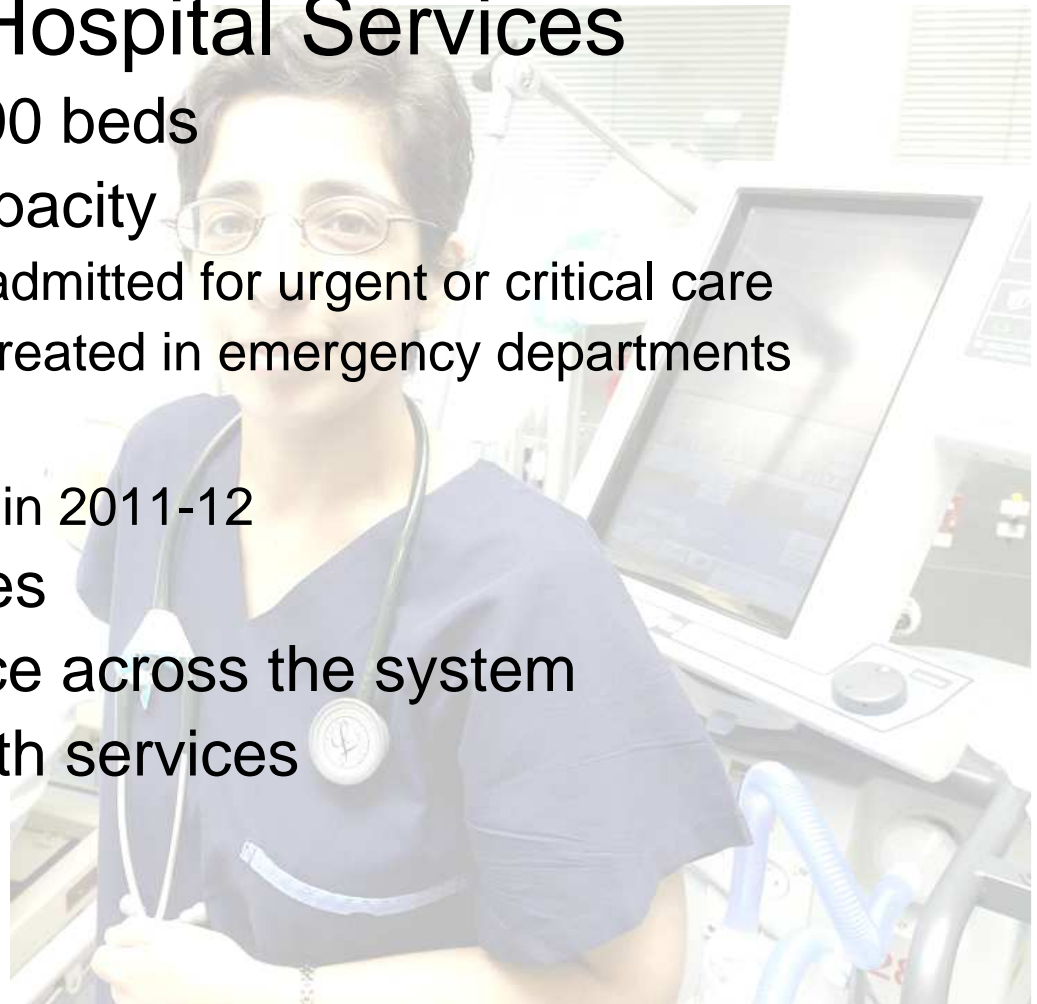




# Health Budget: Hospitals

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- \$1.3 billion over 4 years (\$317.2m in 2011-12) to strengthen Hospital Services
  - The first 100 of the 800 beds
  - Increased hospital capacity
    - 18,250 patients to be admitted for urgent or critical care
    - 48,500 patients to be treated in emergency departments
  - Elective surgery
    - 12,000 people treated in 2011-12
  - Meeting cost pressures
  - Improving performance across the system
  - Boost to Ballarat health services



# Health Budget: Ambulance

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- \$413 million investment in Ambulance Services
  - Halving the cost of membership fees (\$242m)
  - \$171m for Ambulance services:



- Upgrade & build new stations - \$16m
- MICA units
- Motorcycle paramedic units
- 310 new paramedics
- 30 patient transport offices



# Health Budget: Rural Services

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- \$315 million to expand services in rural Victoria
  - \$67.0 m over four years for country hospital upgrades, including Ballan, Echuca, Kerang and Warragul to be funded from the new Country Hospitals Fund
  - \$12.0m to attract and retain medical professionals to rural and regional areas.
  - \$102m (TEI) - New Bendigo Hospital (expanded)
  - \$56m - Rural Capital Support
  - \$73.4m - Boost for Ballarat health services
  - 200 new paramedics for regional Victoria



# Health Budget: Prevention

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- \$107 million over 4 years for chronic disease prevention
  - Bowel cancer screening (\$2m)
  - Diabetes nurse specialists (\$1m)
  - Healthy Living Victoria - Life! Diabetes and cardiovascular disease prevention program (\$22.2m)
  - Victorian EyeCare Service expansion (\$3.2m)
  - NPA on Preventative Health – Chronic Disease Prevention in Victoria (\$79m)



# Health Budget: Further highlights

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- Palliative care (\$34.4m)
- \$26.5m to improve oral health
  - Early intervention
  - Employment
    - Including funding to support relocation of dentists to rural areas
  - Mobile dental units

# Health Budget: Infrastructure

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- \$522 million for infrastructure investment
  - \$116.0m to increase capacity, including
    - Olivia Newton John Cancer & Wellness Centre Stage 2B;
    - Northern Hospital ED expansion;
    - Maroondah Hospital expansion;
    - Frankston Hospital Inpatient dept expansion
    - Monash Children's
  - \$244.0m from the Health Infrastructure fund
  - \$67.0m from the Country Hospital Fund

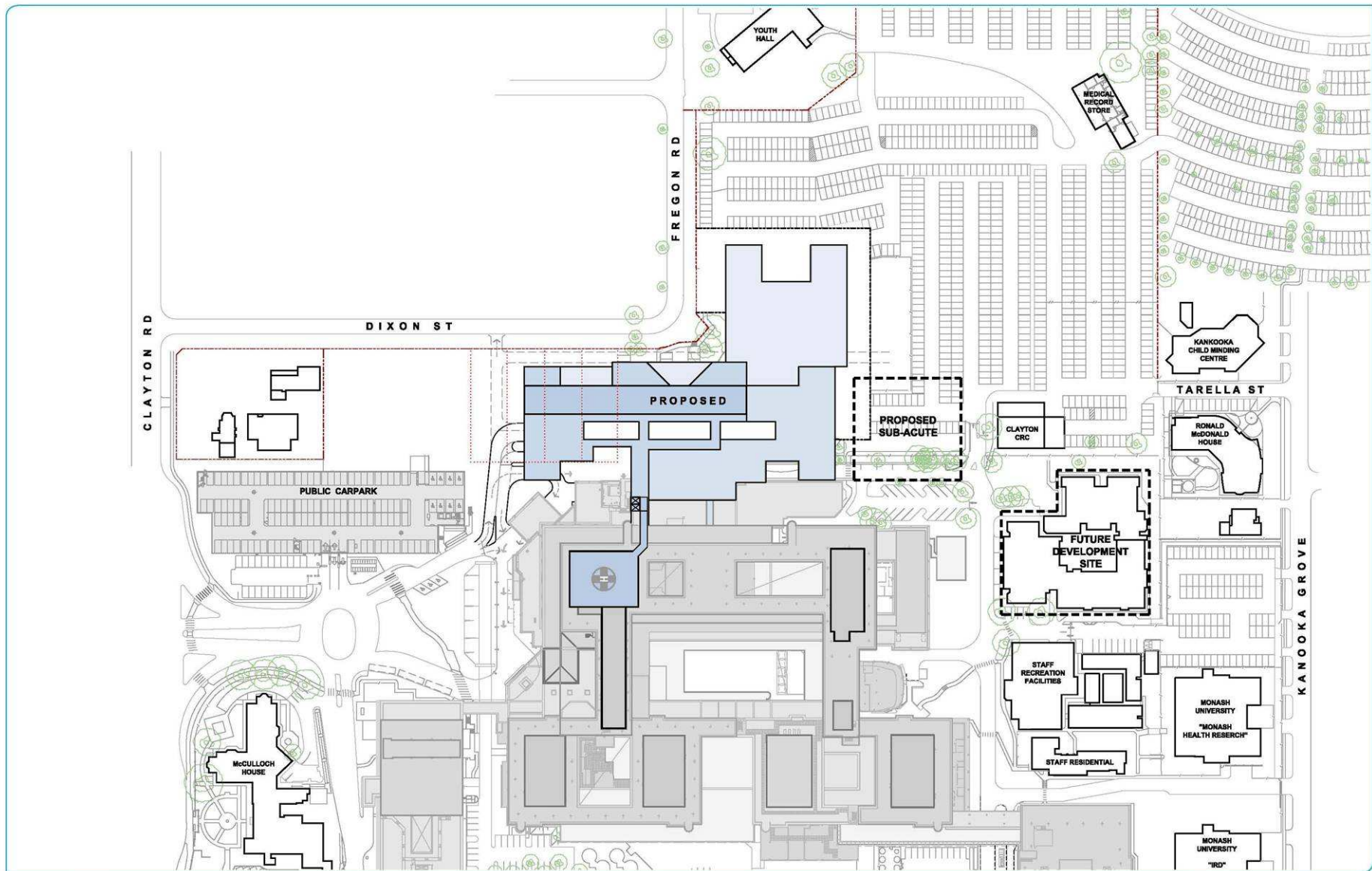


# Monash Children's

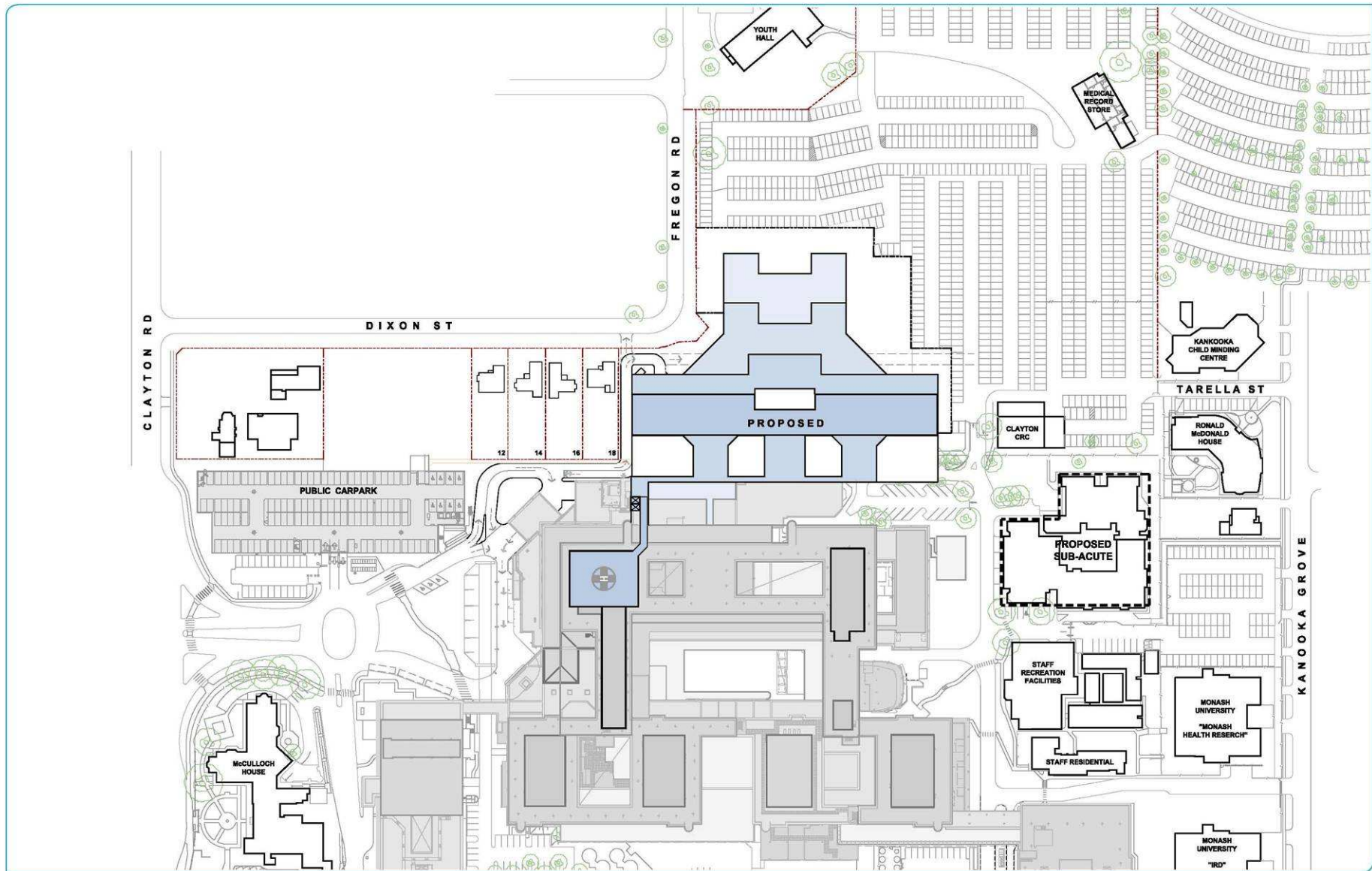
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- Funded Project
  - \$250m funding; \$60m this term
  - \$8.5m brought forward for planning certainty
- 2 Design Options
- Aim for best and most efficient service solution.
- Best Option requires land acquisition and detailed planning before construction commencement









# Box Hill Expansion

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- \$40m for an additional 100 beds as part of the Box Hill Hospital redevelopment.





# Bendigo Hospital

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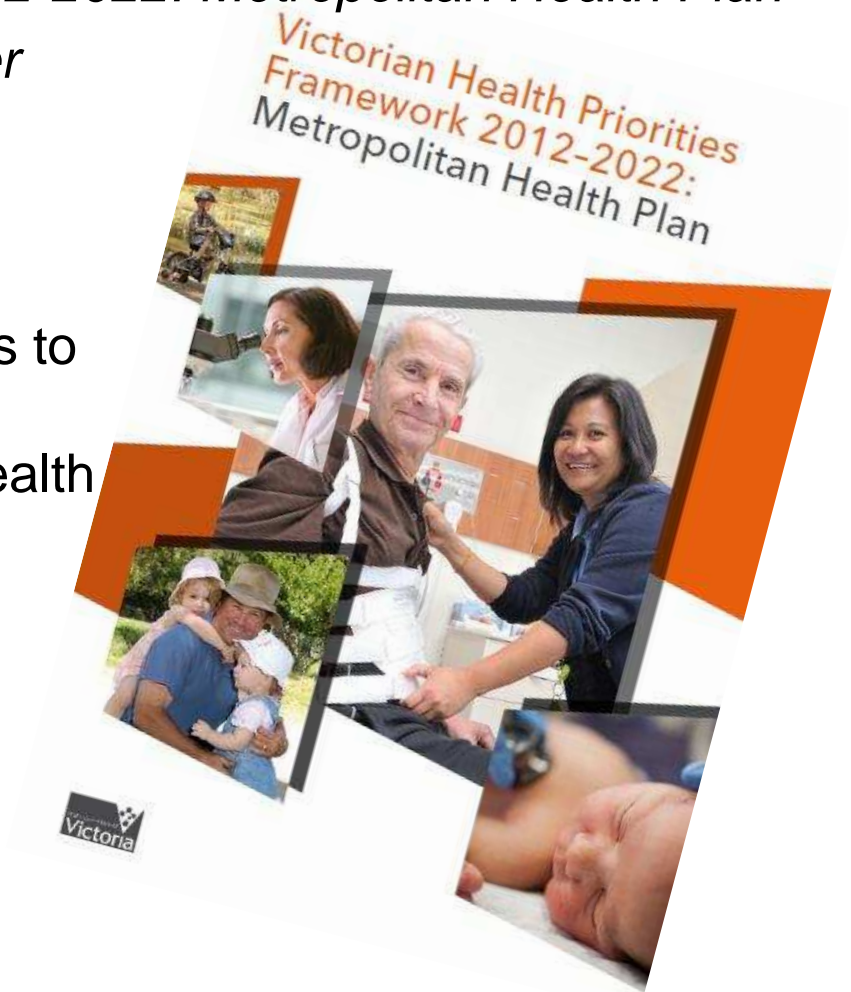
- \$102m to redevelop Bendigo Hospital as a world class health facility

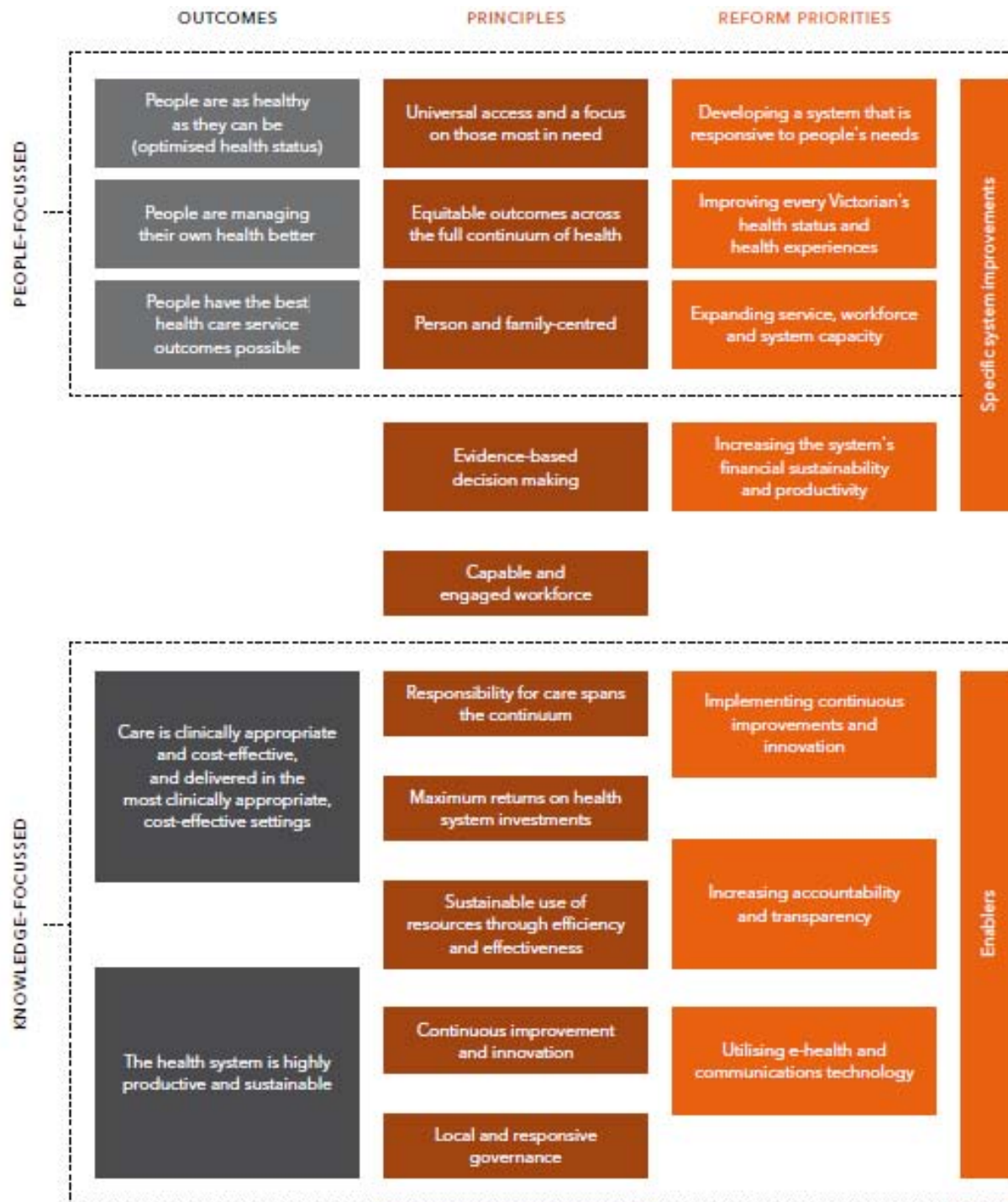


# Victorian Health Priorities Framework 2012-2022: Metropolitan Health Plan

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- *Victorian Health Priorities Framework 2012-2022: Metropolitan Health Plan*
- *Metropolitan Health Plan: Technical Paper*
- The Health Priorities Framework responds to the challenges of the ageing population, increases in chronic disease and rising health costs.
- Informed by Consultations and Ministerial Advisory Council







# Victorian Health Priorities Framework 2012-2022: Metropolitan Health Plan

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- By 2022, Victoria's Health system should be:
  - Responsive to people's needs
    - People are as healthy as they can be (optimal health status)
    - People are managing their own health better
    - People enjoy the best possible health care service outcomes
  - Rigorously informed and informative
    - Care is clinically effective and cost-effective and delivered in the most clinically effective and cost-effective service settings.
    - The health system is highly productive and health services are cost-effective and affordable.

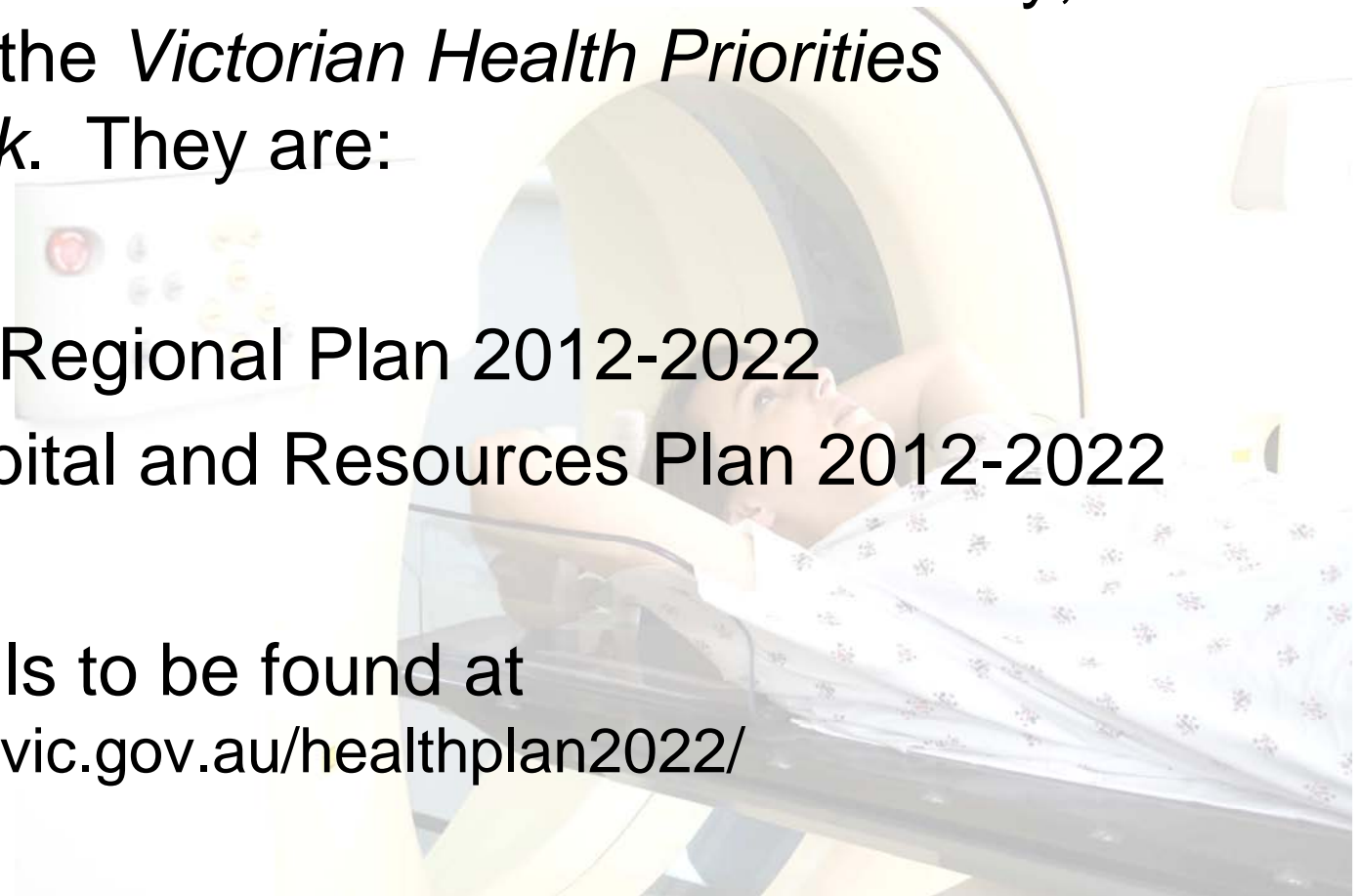
**Victorian Health Priorities  
Framework 2012-2022:  
Metropolitan Health Plan**

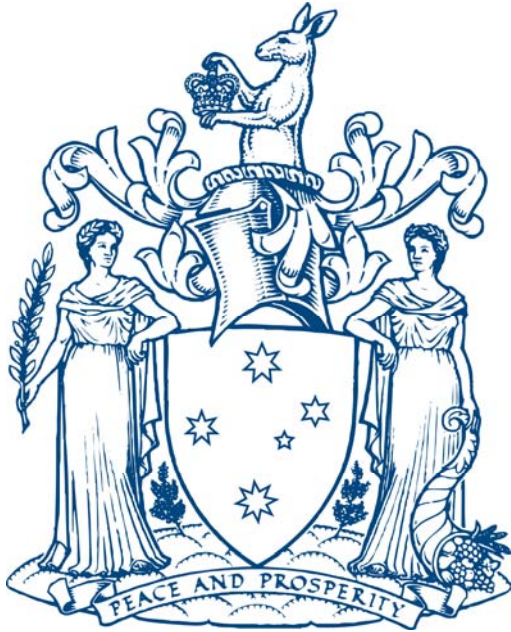


# Victorian Health Priorities Framework: Next Steps

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- The next two plans will be developed in consultation with the sector and community, guided by the *Victorian Health Priorities Framework*. They are:
  - Rural and Regional Plan 2012-2022
  - Health Capital and Resources Plan 2012-2022
- More details to be found at [www.health.vic.gov.au/healthplan2022/](http://www.health.vic.gov.au/healthplan2022/)





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