

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30 May 2011

Question: E11-497

OUTCOME 11: Mental Health

Topic: MENTAL HEALTH – BETTER ACCESS

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Senator Boyce asked:

- a) You mentioned the expenditure in 2011-12 as not rising as much as expected. Could you just tell me what the net increase is in real terms?
- b) On an annual basis, please? Could you calculate year by year and in real terms, please?

Answer:

a) and b)

In line with the Government's fiscal rules and strategy, the new investments in the Delivering National Mental Health Reform Budget package are offset by genuine savings, which include a redirection of \$580.5 million from the more than \$4 billion which is otherwise projected to be spent on the Better Access program over the next five years to new and expanded measures which are targeted to those people most in need.

Growth in outlays under Better Access may slow down as a result of the 2011-12 Budget changes, but uptake and costs of this demand driven program will continue to rise. As a demand driven program, all services that are clinically required will continue to be subsidised in line with the program's parameters.

As a demand driven program it is not possible to provide precise advice of anticipated net increase in expenditure in real terms by year.

However, the amount of funding redirected as a result of the changes to Better Access, in 2011-12 dollars, is summarised in the following table. Future figures have been calculated on anticipated indexation and inflation and may vary.

Changes to:	2011-12 (\$m)	2012-13 (\$m)	2013-14 (\$m)	2014-15 (\$m)	2015-16 (\$m)	Total (\$m)
GP Mental Health Treatment Plan items	-50.1	-80.5	-85.4	-90.9	-98.9	-405.9
Allied Health sessions	-12.6	-26.5	-34.9	-44.6	-55.9	-174.6
Total (Nominal \$)	-62.8	-107.0	-120.6	-135.6	-154.8	-580.5
Total (Real \$)	<b>-62.8</b>	<b>-99.2</b>	<b>-108.5</b>	<b>-118.5</b>	<b>-131.9</b>	<b>-520.9</b>

The changes mean that expenditure under Better Access is expected to grow \$62.8 million less in 2011-12 than would otherwise have occurred.