



**Australian Government**

**Department of Health**

<b>Executive Minute</b>
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On

JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT

REPORT 476

Australian Government Funding

Primary Healthcare Grants under the Indigenous Australians' Health Programme

**General Comments**

The Joint Committee of Public Accounts and Audit ("the Committee") released Report 476 *Australian Government Funding Inquiry based on Auditor-General's reports 18 and 50 (2017-18)*. The Report examined two reports into government funding:

- No. 18 (2017-18) *Monitoring the Impact of Australian Government School Funding*
- No. 50 (2017-18) *Primary Healthcare Grants under Indigenous Australians' Health Programme*

This response is in relation to the *Primary Healthcare Grants under the Indigenous Australians' Health Programme*.

The Report made six recommendations directed at the Department of Health (the Department).

Recommendation 8 of the Report requires the Department to provide the Committee with an update on the status of the implementation of the planned funding allocation model under the Indigenous Australians' Health Programme. The Department's response addressing this recommendation is below and is due 31 July 2019.

Due to the dissolution of Parliament on 11 April 2019, responses to all other recommendations are due on 2 October 2019.

**Recommendation No: 8**

*The Committee recommends that the Department of Health report back to the Committee in July 2019 with an update on the status of the implementation of the planned funding allocation model under the Indigenous Australians' Health Programme.*

**Summary of response:** Status update

**Supporting rationale:**

Negotiations to develop and agree on a funding model with the Indigenous health sector are progressing well.

In the 2018-19 Budget, the Government announced a funding model would be implemented from 1 July 2019 to distribute funding to Aboriginal Community Controlled Health Organisations for provision of primary health care under the Indigenous Australians' Health Programme. In December 2018, the Government deferred implementation by 12 months (to 1 July 2020) to allow time for continued stakeholder engagement with the Indigenous health sector together with significant data improvement activities to support a robust and well-developed funding model.

**Stakeholder engagement**

The Comprehensive Primary Health Care (CPHC) Sustainability Advisory Committee (SAC) has been established to negotiate a primary health care funding model with the sector and provide advice to the Minister for Health. The SAC includes representatives from the Department of Health, the Department of Finance and Aboriginal Community Controlled Health Services.

The Australian Medical Association has been invited to join the group. The SAC replaces the previous Funding Model Advisory Group that met from November 2016 to November 2018.

The SAC has met on two occasions, 29 March 2019 and most recently on 4 June 2019. The next meeting is scheduled for 5 August 2019. The Department plans to provide advice to Government on a potential funding model in time to ensure implementation from 1 July 2020.

**Data Quality Improvement activities**

There are a number of data quality improvement projects which will support implementation of the primary health care funding model. These include improvements along the full spectrum of data collection, from services' collection practices, to extraction of the data from clinical information systems and data storage. The data storage will be through the development of the Health Data Portal in the Department's Enterprise Data Warehouse.

The Data Quality Assessment and Support project, which assists health services improve the quality of the data they input into their clinical information system, was completed by 30 June 2019.