

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Additional Estimates 13 & 15 February 2013

Question: E13-038

OUTCOME 13: Acute Care

Topic: Public Hospitals and Information: Tasmanian Package

Type of Question: Written Question on Notice

Senator: Senator Bushby

Question:

Given the Victorian government, through its Local Hospital Networks, is having \$107 million in retrospective cuts reversed, why isn't Tasmania?

Answer:

It is incorrect to describe the payment to Victorian Local Hospital Networks as reversing a retrospective cut. At the October 2012 Mid-Year Economic and Fiscal Outlook (MYEFO), National Health Reform Agreement (NHRA) funding for 2012-13 was recalculated for each state and territory, using a method agreed by all state and territory Treasurers, and based on the latest parameters from the independent Australian Bureau of Statistics and the Australian Institute of Health and Welfare.

The NHRA recognises states and territories as system managers with responsibility for funding public hospitals over and above funding provided by the Commonwealth. The Australian Government has announced it is providing \$107 million to Victorian Local Hospital Networks in recognition of Victoria's failure to perform its role. These funds will be counted against Victoria in future funding decisions for that state.

Tasmania has not responded to the MYEFO variations in a similar manner to Victoria.

In addition to the \$287 million in 2012-13 provided for Tasmanian public hospital services, the Australian Government is also funding a \$325 million Tasmanian Health Assistance Package over four years to improve health services for all Tasmanians and to strengthen the sustainability of the Tasmanian health system.