

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2017 - 2018, 29 May 2017

Ref No: SQ17-001053

OUTCOME: 2 - Health Access and Support Services

Topic: Health on Ice

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

Referencing QON SQ17-000494 from February 2017 Estimates:

- a) The Department was asked three questions (Part V) that asked for the service delivery compared to non service delivery (planning needs analysis, tender costs, consultants, administration etc) costs. This was not answered. Please provide the answers.
- b) What guidelines were given to PHN's regarding the amount to be spent on activities like needs analysis, tender set up costs and other non- service delivery activities?
- c) What mechanisms have the Department of Health put in place to check if PHNs are compliant with these guidelines or to monitor the level of non-service delivery expenditure? (ie how much of the money is being 'chewed up' in bureaucracy?)
- d) The answers provide a breakdown of allocation by PHN and by State. How were these breakdowns determined (population of needs)?
 - i. If by needs, how were 'needs' determined?

Answer:

- a) Operational funding is provided to PHNs for the administrative, governance and core functions of PHNs. PHNs receive an operational allowance to undertake these functions as part of the Drug and Alcohol Treatment Program.

As part of the drug and alcohol treatment funding provided to PHNs under the *National Ice Action Strategy* (NIAS), \$9,871,200 (GST exclusive) of the \$177.1 million three-year total in contract has been allocated to PHNs for their operational budget. Funding for 2019-20 will be contracted at a later stage.

The operational allocation provided to each individual PHN is listed at [Attachment A](#).

- b) The PHN Program Guidelines outline the intentions of PHN operational funding and provide information on activities that are not eligible for operational funding. The program guidelines are available on the Department's website.

c) PHNs must include a budget for their operational allowance in their annual Activity Work Plans, to be approved by the Department before commencement of commissioning/procurement. PHN Twelve Month Performance Reports must include an audited Income and Expenditure Statement and Financial Declarations confirming that their operational funding has been used in accordance with its intended purpose.

d) The overall drug and alcohol funding model allocated funding according to 2011 Census data, and applies a cumulative weighting for rurality, socioeconomic disadvantage and Indigenous population.

The Indigenous-specific component (\$78.6 million) of the drug and alcohol funding is allocated to PHNs solely on Indigenous population, using the 2013 Estimated Resident Population to allocate the funding allocation. This model does not include any other weighting for rurality or socioeconomic disadvantage.

These approaches to funding allocations were finalised in consultation with key drug and alcohol experts, including Indigenous representation.

Attachment A

Contracted Operational funding to PHNs under the National Ice Action Strategy (NIAS)

State	PHN	Total contracted operational funding (2016-17 to 2018-19) – GST exclusive
NSW	Central and Eastern Sydney	\$568,225.14
NSW	Northern Sydney	\$338,825.96
NSW	Western Sydney	\$341,668.08
NSW	Nepean Blue Mountains	\$145,708.32
NSW	South Western Sydney	\$370,479.52
NSW	South Eastern NSW	\$276,476.48
NSW	Western NSW	\$161,061.67
NSW	Hunter New England and Central Coast	\$571,015.96
NSW	North Coast	\$213,448.17
NSW	Murrumbidgee	\$116,700.00
VIC	North Western Melbourne	\$589,801.01
VIC	Eastern Melbourne	\$548,748.80
VIC	South Eastern Melbourne	\$538,891.23
VIC	Gippsland	\$112,284.77
VIC	Murray	\$270,131.56
VIC	Western Victoria	\$279,651.94
QLD	Brisbane North	\$357,253.17
QLD	Brisbane South	\$414,173.40
QLD	Gold Coast	\$212,805.76
QLD	Darling Downs and West Moreton	\$248,562.84
QLD	Western Queensland	\$136,293.75
QLD	Central Queensland and Sunshine Coast	\$378,989.76
QLD	Northern Queensland	\$375,874.72
SA	Adelaide	\$458,079.24
SA	Country SA	\$263,580.12
WA	Perth North	\$399,994.74
WA	Perth South	\$363,806.31
WA	Country WA	\$295,653.85
TAS	Tasmania	\$239,542.62
NT	Northern Territory	\$136,293.75
ACT	Australian Capital Territory	\$147,178.07
TOTAL		\$9,871,200

