

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2017 - 2018, 29 May 2017

Ref No: SQ17-001054

OUTCOME: 2 - Health Access and Support Services

Topic: Health on Ice

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

Referencing QON SQ17-000495 from February Estimates:

- a) How were tenders announced?
- b) What steps were made to ensure PHN's tender processes were not too localised and 'best practice' providers were made aware of the tender processes and encouraged to submit tenders?

Answer:

The Department of Health does not mandate how PHNs are to announce their tender processes for commissioning primary health care services, including alcohol and other drug treatment services. Tender processes used by PHNs (including their announcement methods) may differ, depending on their population needs and the nature of the service provider market in their respective regions.

PHNs have identified their regional priorities through a process of rigorous planning, stakeholder consultation and engagement, data analysis and review of existing services and the workforce market. Each PHN has identified unique regional priorities for its commissioning and integration activities, including for Ice treatment services.

The Department does not review or approve PHNs' tender processes or mechanisms, or direct PHNs about the location of commissioned services within PHN regions, or in relation to inviting particular service providers to submit tenders for providing health services.

PHNs are required to submit their needs assessments and plans for commissioning activities to address the identified needs to the Department for approval. PHNs were required to submit specific needs assessments and activity plans for alcohol and other drug (including Ice) treatment services. In considering these needs assessments and activity plans, the Department undertook assessment in consultation with drug and alcohol sector experts, which included Indigenous representation. This was to ensure that the needs and priorities identified by PHNs were consistent with available evidence on drug and alcohol treatment and in line with the intentions of the National Ice Action Strategy.

The assessment was guided by a set of Key Principles which outlined the Department's expectations for in-scope activities, governance and consultation mechanisms, and budget details.