

Foreign Affairs, Defence and Trade Legislation Committee

**ADDITIONAL INFORMATION RECEIVED
BUDGET ESTIMATES 2002-2003**

Defence Portfolio – Department of Veterans' Affairs

Volume 3

October 2002

**Foreign Affairs, Defence and Trade
Legislation Committee**

**Examination of
Budget Estimates
2002-2003**

Additional information received

Volume 3

DEFENCE PORTFOLIO

(Department of Veterans' Affairs)

October 2002

**Information relating to additional
Estimates 2002 - 2003**

**Examination of expenditure for the
Defence Portfolio**

DEPARTMENT OF VETERANS' AFFAIRS

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Answers to Questions on Notice
Department of Veterans' Affairs
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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 7

Senator Andrew Bartlett asked:

There is presently an independent *Review of Veterans' Entitlements* due to report in November with any changes likely to be implemented in 2003–2004. Has the Department made Budget future estimates on the basis of potential outcomes of that review?

Answer:

No.

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Outcome 1 (Compensation) and Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 9

Senator Andrew Bartlett asked:

Have estimates been made of the costs of the following changes:

- (a) providing Gold Card to all veterans of WWII?**
- (b) recognising BCOF as qualifying service?**
- (c) recognising participation in British atomic testing as qualifying service?**
- (d) recognising training in SAS, (and other specialist teams where the training is more hazardous than most qualifying service), as qualifying service?**

Answer:

- (a) Currently all WWII veterans who have qualifying service can apply to receive a gold card. Extending the gold card to WWII veterans who do not have qualifying service is estimated to produce an additional cost to government of \$1.120B (cost to DVA \$1.969B) over 4 years.
- (b-d) A number of these veterans will have Qualifying Service in their own right. As such there is no basis on which to prepare a definitive estimate.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 10

Senator Andrew Bartlett asked:

There are sections of the TPI community arguing for their compensation to be pegged to 100% of MTAW. Has the department done any costings to estimate what an increase in the rate of the TPI pension or of EDA (Extreme Disablement Adjustment)? Can Estimates be provided as to the cost if TPI were pegged at 75%, 80%, 90% and 100% of MTAW?

Answer:

The estimates for one year based on March 2002 pension rates and veteran numbers are:

	\$ Per Fortnight
Male Total Average Weekly Earnings (MTAW)	1,623.00
T&PI Rate of Disability Pension	730.70
EDA Rate of Disability Pension	415.65

T&PI veterans (25480)			
%	\$	Additional cost per fortnight per veteran \$	Additional cost for one year for all T&PI veterans \$millions
100	1,623.00	892.30	591.131
90	1,460.70	730.00	483.610
80	1,298.40	567.70	376.090
75	1,217.25	486.55	322.330

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EDA veterans (12120)			
%	\$	Additional cost per fortnight per veteran \$	Additional cost for one year for all EDA veterans \$millions
100	1,623.00	1,207.35	380.488
90	1,460.70	1,045.05	329.345
80	1,298.40	882.75	278.201
75	1,217.25	801.60	252.629

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 11

Senator Andrew Bartlett asked:

In a previous estimates I was told that the cost of exempting the disability pension from Social Security income tests would be about \$20 million. Does the Department still stand by that figure?

Answer:

The cost of exempting disability pension from the Social Security income tests is in the order of \$28m a year (including removing the disability pension rent assistance test under the VEA).

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 12

Senator Andrew Bartlett asked:

What was the cost for the \$25,000 one-off payment for ex Prisoners of War of the Japanese? Were there costing estimates for including ex-POW's of European theatres? If so, what were these estimates?

Answer:

At 27 May 2002, 7342 people had received a \$25,000 POW Japan payment. The cost of these payments was \$183.55 million.

It is estimated that there are approximately 1480 surviving European Theatre POWs and an estimated 2600 surviving widows of such veterans. Payment of \$25,000 to these individuals would cost an estimated \$102m.

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Department of Veterans' Affairs
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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 13

Senator Andrew Bartlett asked:

Regarding possible anomalies for the payment made to widows of ex-PoWs: For example, for a woman who was married and her husband went away and became a Prisoner of War and he returned and they remained married for say 20 years and they then divorced and he later died, that women would have received nothing—not the war widowed pension, not the one-off payment. However, a woman who a few years ago moved in with an ex-POW and he died—she would have received a \$25,000 payment.

Did the Government give any consideration to looking at the period of care a partner gave, rather than just who happened to be a partner at the time of the Government's payment? Why was this approach not adopted

Answer:

In framing the legislation for the \$25,000 POW payment, the eligibility of dependants was adopted from the principles embodied in the *Veterans' Entitlements Act 1986*. Since the inception of Repatriation legislation divorce has always terminated a spouse's rights to pensions and benefits in respect of a veteran.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 25

Senator Mark Bishop asked:

Hansard page 233. I wonder if I could ask you draw to the attention the Minister the representations from Mr P. H. J. White WSS4051 regarding residency status in Australia?

Could you advise me of the response?

Answer:

This matter has been discussed with Senator Bishop out of session where it was explained that it was a matter for the Minister for Immigration and Multicultural and Indigenous Affairs.

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Department of Veterans' Affairs
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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 26

Senator Mark Bishop asked:

Hansard on page 233. On 22 February I asked about the number of T&PI pensions that had been cancelled as a result of investigation into work undertaken in breach of the work test to which we (sic) responded.

I would like to know the number of [T&PI] veterans which had been reduced, and the degree of reduction in the same period [calendar years 1999,2000,2001].

Answer:

A number of investigations of possible breaches of the work test for the Special (T&PI) Rate of disability pension have been undertaken by the Department of Veterans' Affairs, usually following anonymous denunciations. The investigations have generally found that the veterans are eligible for the Special Rate.

In the period 1999 to 2001 investigations have resulted in two cases where the Special Rate was reduced. The investigation did not affect the underlying acceptance of their disabilities as being due to service. However, disability pension was reassessed at 90% of the General Rate in one case and 50% of the General Rate in the other.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 27

Senator Mark Bishop asked:

Hansard page 234. On 22 February you advised that there were 11 appeals pending to the AAT from POW's or their widows , some relating to domicile and others to women who were divorced. Could you please advise of the policy with respect to divorced widows either where the POW has remarried or where he has not?

Answer:

The eligibility for the widow's payment is prescribed by law.

One POW payment can be made under one of the Acts. Firstly, the \$25,000 POW payment is made to eligible veterans and war widows under the *Veterans' Entitlements (Compensation-Japanese Internment) Regulations 2001*.

In relation to war widows, eligibility is provided in sub-regulation 2 for a dependant (other than a child) of a deceased veteran. The regulation uses the same definition of dependant that is defined in VEA s11(1):

- (1) In this Act, unless the contrary intention appears:
dependant, in relation to a veteran (including a veteran who has died), means:
- (a) the partner; or
 - (b) a non-illness separated spouse; or
 - (c) a widow or widower (other than a widow or a widower who marries or re-marries); or
 - (ca) a reinstated pensioner; or
 - (d) a child;

of the veteran.

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Secondly, the \$25,000 POW payment is made to other eligible widows under the *Compensation (Japanese Internment) Act 2001*. In this Act, the relevant eligibility criterion provides for a person who was a partner immediately prior to the death of the veteran or eligible civilian. This Act defines partner as follows:

partner, in relation to a veteran or civilian, means:

- (a) a person who is legally married to the veteran or civilian; or
- (b) a person who is a partner (within the meaning of the Veterans' Entitlements Act) of the veteran or civilian.

These definitions are inclusive and a divorcee, irrespective whether of a POW veteran or civilian detainee, is not eligible to claim a \$25,000 payment.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 29

Senator Mark Bishop asked:

Hansard page 328. What is the current status of the nominal roll of the BCOF (British Commonwealth Occupation Forces) ? Is that concluded ?

Answer:

The development of a BCOF Nominal Roll has not commenced as priority is being given to the development of the World War II Nominal Roll and website. It is anticipated that the World War II website will be available to the public during November 2002.

The 1999-2000 Budget provided \$4.4 million over four years to develop outstanding nominal rolls of those who served in Australia's Defence Force since Federation. The priority for ex-service organisations was the development of a World War II Nominal Roll. Other post-World War II nominal rolls, such as for the Gulf War, have been developed to meet health study priorities.

Planning for a BCOF Nominal Roll has not commenced due to the enormity of the World War II Nominal Roll project, which will contain service information about some one million people who served in Australia's Defence Forces and Merchant Navy during that conflict. Once that Roll has been implemented, it will be possible to consider the issues associated with the development of a BCOF Nominal Roll, including its timing.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 30

Senator Mark Bishop asked:

Hansard page 330. Could I ask for a copy of the memo circulated to branch offices setting out the new guidelines and reasons regarding the termination of qualifying service for Australians during the Second World War ?

Answer:

A copy of the information circulated to DVA State Offices is attached.

The guidelines relate only to the question of qualifying service in coastal waters.

AN01/2000: THE COASTAL WATERS POLICY AND INCURRED DANGER

Advisory from Disability Compensation Branch
No 1/2000

This is an advisory note only. Disability Compensation Branch and Legal Services Group have agreed this policy view. It is not a Repatriation Commission Guideline or a Departmental Instruction. The advice is not intended to conflict with the proper application of the Veterans' Entitlements Act 1986 or the judgements of the Courts. It represents a considered view of the interaction between an earlier policy decision by the Repatriation Commission and a later series of cases that provided binding precedent for the determination of certain claims for qualifying service. It may be subject to change as a result of further interpretation by the Courts of the legislation. Nevertheless it represents a considered view that should be taken into account by all delegates.

THE COASTAL WATERS POLICY AND INCURRED DANGER

Introduction

A policy decision issued by the Repatriation Commission 20 years ago and based on the then current knowledge of the law and decisions of the Courts cannot stand against any later decisions of the Courts or changes to legislation.

Local directions that seem to have been passed down from person to person eventually become completely out of touch with the law. In any event no local instruction can override a Commission Guideline, a Departmental Instruction or the proper application of the law.

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Policy or law the decider?

The coastal waters policy has been misunderstood and misquoted for sometime and has been exacerbated by the Gold Card exercise. Delegates who had never had to deal with the coastal water issue may have missed the important qualifiers. We hope to have a fresh Repatriation Commission decision soon to replace the earlier policy statement.

The original decision of the Commission contained a qualification that the "coastal waters policy" was to be subject to decisions of the Courts. Ann Donnelly will organise a package for everyone that will contain the correct documentation and references to the original decision of the Commission.

The law to be applied

The law takes precedence over all policy.

The Federal Court decisions in Marsh and Thompson and others are the leading cases. Not only are they persuasive they are binding authority on any decision-maker answering any application of policy to the legislation.

The relevant passage from the Full Federal Court decision in Thompson is binding on the Repatriation Commission and all delegates. These are the actual words used by the Court.

“The words "incurred danger" therefore provide an objective, not a subjective, test. A serviceman incurs danger when he encounters danger, is in danger or is endangered. He incurs danger from hostile forces when he is at risk or in peril of harm from hostile forces. A serviceman does not incur danger by merely perceiving or fearing that he may be in danger. The words "incurred danger" do not encompass a situation where there is mere liability to danger, that is to say, that there is a mere risk of danger. Danger is not incurred unless the serviceman is exposed, at risk of or in peril of harm or injury.

The danger incurred must of course be more than a merely fanciful danger or a danger so minimal that the rule of de minimis applies. But to say that is not to give a flavour to the word. Rather it is to use it in its ordinary sense.

The above appear to have been the principles applied by the Tribunal in its decision. The Tribunal said:-

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"The section talks about 'at a time when the person incurred danger', not at a time when the person might have incurred danger or might have thought that danger might be there. Danger must be real and not fanciful. It must consist of more than the shadows of the night. It must arise as a direct result of the activities of hostile forces of the enemy. It must arise in the area in which the applicant serves. A feeling of dread is not sufficient to base a claim under this section. There must be established an actual risk of physical or mental harm."

The coastal waters policy

The "coastal waters" policy applies only to a person whose service was in coastal waters and in the periods described in the policy. Note that there are two requirements for each part of the policy, a specified area and a specified time. If a person did serve in coastal waters in the periods described in the policy, then whether the person can objectively be found to have incurred danger must be determined.

Why did the Commission specify the waters and the dates?

At those times and places mentioned in the "policy" there was a potential risk from enemy submarines and ships, both Japanese and German. The assessment of potential risk was based on actual attacks on ships, sightings of enemy vessels and knowledge of the operations of both German and Japanese submarines. However, that does not mean that, as a matter of course, every person in those areas at those times can objectively be found to have incurred danger from hostile forces of the enemy. The policy is a pointer to times when a person may have been in danger. It is a flag or alert that a decision-maker needs to consider whether it can be objectively said that the person incurred danger from hostile forces of the enemy.

A person who did not sail in the coastal waters at the times specified in the policy has no initial presumption of a risk of danger. There is no evidence that there was any potential risk of danger at any time other than the periods specified in the policy. Therefore, such a person could not establish qualifying service on the basis of their voyages in coastal waters.

However, the policy requires the application of the law. It is therefore open to a person to argue that, notwithstanding that they were not in an area of known risk of danger (eg from submarines) at the specified times, nevertheless at some other time and location they did incur danger from hostile forces of the enemy.

What are coastal waters?

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Bays and inlets and water between Australian islands and the mainland are not "coastal waters" for the purpose of the policy. For example Spencer Gulf in SA, Port Phillip Bay, Sydney Harbour, the strait between Rottnest and WA mainland are not "coastal waters", they are internal waters. The Gulf of Carpentaria is too big to be classed as internal water. Bass Strait had and has an international right of passage for all ships³.

Territorial Australia is defined by reference to the baselines so that everything between two points of land, including peninsulas and islands is sovereign territory and the coastal waters are on the sea-side of that line.

However, even if the waters a person travelled through were regarded as "coastal waters" there is no escaping the mandatory requirement to apply the legislation as the courts have interpreted it.

The questions that must be answered in all cases

1. Was the person a member of the Defence Force?
2. While a member of the Defence Force, did the person, render service during a period of hostilities?
3. Was such service in naval, military or aerial operations?
4. Were the naval, military or aerial operations against the enemy?
5. Did the person incur danger?
6. If so, was the danger incurred from hostile forces of the enemy?

Other areas of policy to watch

Watch out for claims involving service

- in the Northern Territory,
- on Horn, Thursday, Rottnest and Garden Islands
- across Bass Strait
- at Cowra
- on Sydney Harbour or in the Eastern suburbs
- in Newcastle
- in Townsville

And remember that other important point the person must be in operations at sea, in the field or in the air against the enemy.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 32

Senator Mark Bishop asked:

Hansard page 331. Do you have on your records how many widows without children are below the age of 57 ?

Answer:

As at 18 June 2002 the Department's records show 1,607 war widows (female) and two war widowers (male) under the age of 57 without children included in their pension assessment.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 38

Senator Mark Bishop asked:

Telephone Allowance

In relation to the Telstra announcement that it will be increasing telephone rentals by 50% over four years, with relief in various forms to low-income users:

- (a) What are the implications of this for veterans' telephone allowance?**
- (b) Will it need to be increased?**
- (c) What will be the cost of any adjustment?**
- (d) What consultation was undertaken with DVA by Telstra?**
- (e) Has DVA sought to protect veterans?**
- (f) What advice has been provided to veterans?**

Answer:

- a) World War I veterans who are telephone subscribers receive a quarterly payment of telephone allowance equal to the line rental cost. For all other eligible veterans and war widows who are subscribers, telephone allowance is paid at a rate prescribed in the legislation. This rate is indexed each September in line with CPI movements.
- b) Telephone allowance paid to World War I veterans will be increased to reflect any change in line rental charges.
- c) Seven World War I veterans are currently in receipt of telephone allowance at \$59.70 per quarter. Increased costs would be the amount of any line rental increase, multiplied by the number of surviving World War I veterans.
- d) The Department of Communication, Information Technology and the Arts (DCITA) convened an interdepartmental committee to consider this matter. The committee included representation from DVA.
- e) DVA will participate in an ad-hoc committee organised to provide input into the Telstra Marketing Strategy. This input will ensure that veterans are accurately identified under the new Telstra arrangements.

DVA has not yet advised veterans of the Telstra arrangements as these are still to be finalised.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 69

Senator Mark Bishop asked:

Earlier this year I received a briefing from the department and you provided me with some material which had a whole range of information in it. In that document there was table 25 as at September 2001, which identified the number of persons receiving the aged pension who were also T&PI intermediate rate and general rate. On Monday at the Community Affairs Legislation Committee estimates they provided some figures on the number of DSP recipients who are T&PI intermediate rate and general rate. I would ask you, whether it is your Department or DFACS, to provide the figures in the same form for those who receive Newstart allowance.

Table from Senator Mark Bishop for the Department of Veterans' Affairs to fill in the blank spaces

DP as income at Centrelink – Statistics				
	DSP	Newstart	Age	Total
T&PI	239	-	366	605
Int rate	12	-	21	32
General rate	1019	?	3688	4707
EDA	-	-	439	439
Total	1270	?	4515	5783

Answer:

As at March 2002 the number of veteran general rate disability pensioners receiving Newstart allowance at Centrelink was 475. Special, intermediate and EDA rate pensioners are not eligible to receive this allowance.

At the same date, the numbers of veteran disability pensioners receiving an age pension at Centrelink were:

	Age Pension at Centrelink
T&PI	335
Int rate	26
General rate	*9,610
EDA	470
Total	10,441

*The age pensioner category in the table submitted with your question refers to disability pensioners receiving a social security age pension through DVA.

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Outcome 1 (Compensation)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 8

Senator Andrew Bartlett asked:

What is the estimated cost of the *Review of Veterans Entitlements*?

Answer:

The estimated total cost of the administration of the review is \$1.2m
-\$1.2 million - \$800,000 for 2001-02 and \$400,000 for 2002-03.

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Outcome 1 (Compensation) and Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 37

Senator Mark Bishop asked:

The answer to Question on Notice # 2 from 22 February 2002, indicated that no T&PI pensions had been cancelled as the result of investigation into work undertaken in breach of the work test, but that a number had been reduced.

To what extent does the large number of cases under investigation demonstrate that the work ability test or rehabilitation programs are not working?

Answer:

On 31 December 2001, there were 25,093 veterans receiving special (T&PI) rate of disability pension. This had risen to 25,480 by 30 March 2002. The response to your question taken on notice after the 22 February 2002 Committee hearings indicated that the number of cases under investigation was 31, a small percentage of the total T&PI veteran population.

Forty eight T&PI veterans who have participated in the Veterans' Vocational Rehabilitation Scheme (VVRS) have recommenced work. Of these, 29 have sustained their employment beyond six months.

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Outcome 2 (Health)

Question 1

Senator Mark Bishop asked:

Please provide the Committee with a complete list of pharmaceuticals on the RPBS and the PBS and a separate list of those on the RPBS that are not on the PBS?

Answer:

The Repatriation Pharmaceutical Benefits Scheme (RPBS) consists of all medications available on the Pharmaceutical Benefits Scheme as well as those items listed in the Repatriation Schedule of Pharmaceutical Benefits and any other item sought under Prior Approval Arrangements.

Attached is the *Schedule of Pharmaceutical Benefits* 1 May 2002. Those items available only on the RPBS are listed in the Repatriation Schedule of Pharmaceutical Benefits on pages 319 to 372 of the *Schedule of Pharmaceutical Benefits*.

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Outcome 2 (Health)

Question 2

Senator Mark Bishop asked:

What is the reason for the inclusion on the RPBS of pharmaceuticals that are not on the PBS?

Answer:

The reason for the inclusion of this additional list is to provide a more comprehensive range of pharmaceuticals and wound dressings to meet the special needs of veterans including the effective treatment of their accepted service-related disabilities.

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Outcome 2 (Health)

Question 3

Senator Mark Bishop asked:

What is the annual cost to the Department of each pharmaceutical on the RPBS over the last three years, and the number prescriptions filled for those pharmaceuticals?

Answer:

The following table outlines dispensings and expenditure over the last three financial years for the items covered under the Repatriation Schedule of Pharmaceutical Benefits only:

Total cost RPBS Schedule only		
	Dispensings	Cost
1998-1999	992,790	\$15,527,085.61
1999-2000	1,111,676	\$18,623,761.98
2000-2001	1,209,073	\$21,978,405.37

Attached is the number of dispensings and cost of each individual item for the last three financial years.

(Copies of these attachments can be obtained by contacting the FAD&T Secretariat on (02) 6377 3539.)

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Outcome 2 (Health)

Question 4

Senator Mark Bishop asked:

What pharmaceuticals have been removed from the RPBS since 1996, what are the uses of those pharmaceuticals, the dates they were removed, the reasons for removal and the savings made by removing each pharmaceutical?

Answer:

The attached table provides a list of items able to be identified as removed from both the PBS and RPBS since 1996. Items that have been removed have had alternatives already listed on the RPBS or have been replaced with newer and more efficacious items. Sometimes manufacturers and distributors discontinue marketing the product. Removal of these medications has resulted in no significant savings to the Department as a prescriber would usually seek an alternative listed product or seek the original product if still available, under prior approval arrangements.

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Item code	Generic Name	Strength	Form	Quantity	Brand Name	Use of Medication	Date Discontinued	Reason
4602f	Absorbent Pad Pants	Large	Pants	2	Tena fix Large 56516	Incontinence	Feb-97	Transferred to RAP
4603g	Absorbent Pad Pants	Small	Pants	2	Tena fix Small 56514	Incontinence	Feb-97	Transferred to RAP
4604h	Absorbent Pad Pants	Medium	Pants	2	Tena fix Medium 56515	Incontinence	Feb-97	Transferred to RAP
4605j	Absorbent Pads	Extra	Pads	30	Tena Lady Extra 58153	Incontinence	Feb-97	Transferred to RAP
4606k	Absorbent Pads	Mini Extra	Pads	34	Cumfie Celanorm mini Reg	Incontinence	Feb-97	Transferred to RAP
4607l	Absorbent Pads	Regular	Pads	30	Shield Regular 30 780	Incontinence	Feb-97	Transferred to RAP
4608m	Absorbent Pads	Super	Pads	30	Shield Super 30 779	Incontinence	Feb-97	Transferred to RAP
4609n	Absorbent Pads	Regular	Pads	20	Cumfie Rectangular Reg	Incontinence	Feb-97	Transferred to RAP
4715e	Absorbent Pads	light	Pad	20	Softeze	Incontinence	May-96	Deleted from RPBS by Review
4111j	Allantoin and Coal Tar Extract	2/5%	Lotion	250ml	Alphosyl	Skin Treatment	Aug-00	Deleted from RPBS by Review
4112k	Allantoin and Coal Tar Extract	1.7%/5%	Cream	50g	Alphosyl	Skin Treatment	Nov-98	Discontinued by Manufacturer
4581d	Alprostadil	5mcg	Injection	5	Caverject	Impotence	Nov-96	Listed on the PBS
4582e	Alprostadil	10mcg	Injection	5	Caverject	Impotence	Nov-96	Listed on the PBS
4583f	Alprostadil	20mcg	Injection	5	Caverject	Impotence	Nov-96	Listed on the PBS
4565g	Ascorbic Acid	250mg	Tablets	100	Gold Cross Vitamin C	Nutritional Supplementation	May-00	Discontinued by Manufacturer
4561c	Astemizole	10mg	Tablets		Hismanal	Antihistamine	Aug-98	Discontinued by Manufacturer

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4720k	Bandage Cotton Conforming	2.5cm x 1.5m	Bandage	1	Handy-Band 9483	Wound Care	Feb-97	Deleted from RPBS
4721l	Bandage Cotton Conforming	5cm x 1.5m	Bandage	1	Handy-Band 9485	Wound Care	Feb-97	Deleted from RPBS
4722m	Bandage Cotton Conforming	7.5cm x 1.5m	Bandage	1	Handy-Band 9488	Wound Care	Feb-97	Deleted from RPBS
4723n	Bandage Cotton Conforming	10cm x 1.5m	Bandage	1	Handy-Band 9490	Wound Care	Feb-97	Deleted from RPBS
4802r	Bandage Elastic Conforming	5cm x 1.8m	Bandage		Telfa 8182	Wound Care	Feb-97	Deleted from RPBS
4803t	Bandage Elastic Conforming	7.5cm x 1.8m	Bandage		Telfa 8183	Wound Care	Feb-97	Deleted from RPBS
4804w	Bandage Elastic Conforming	10cm x 1.8m	Bandage		Telfa 8184	Wound Care	Feb-97	Deleted from RPBS
4820q	Bandage Elastic Conforming	2.5cm	Bandage		Conform 2230	Wound Care	Feb-97	Deleted from RPBS
4821r	Bandage Elastic Conforming	5cm	Bandage		Conform 2231	Wound Care	Feb-97	Deleted from RPBS
4822t	Bandage Elastic Conforming	7.5cm	Bandage		Conform 2232	Wound Care	Feb-97	Deleted from RPBS
4823w	Bandage Elastic Conforming	10cm	Bandage		Conform 2236	Wound Care	Feb-97	Deleted from RPBS
4824x	Bandage Elastic Conforming	15cm	Bandage		Conform 2238	Wound Care	Feb-97	Deleted from RPBS
4744q	Bandage Plaster of Paris	5cm x 2.75m	Bandage	1	Gypsona S5002	Wound Care	Feb-97	Deleted from RPBS
4745r	Bandage Plaster of Paris	7.5cm x 2.75m	Bandage	1	Gypsona S5003	Wound Care	Feb-97	Deleted from RPBS
4746t	Bandage Plaster of Paris	10cm x 2.75m	Bandage	1	Gypsona S5004	Wound Care	Feb-97	Deleted from RPBS
4747w	Bandage Plaster of Paris	15cm x 2.75m	Bandage	1	Gypsona S5005	Wound Care	Feb-97	Deleted from RPBS
4752d	Bandage Zinc Paste and Ichthamol	7.5cm x 6m	Bandage	1	Ichthopaste 4959	Wound Care	Feb-97	Deleted from RPBS

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4652w	Bandage-Absorbent-wool	10cm x 2.75m	Bandage	1	Velband VB100	Wound Care	Aug-00	Deleted from RPBS by Review
4122y	Bath Emollient		Bath Oil	500ml	Rikoderm	Skin Treatment	Nov-96	Discontinued by Manufacturer
4125d	Bath Emollient	Oil	Bath Oil	500ml	Derma-Oil	Skin Treatment	Aug-97	Discontinued by Manufacturer
4126e	Beclomethasone	50mcg	Nasal Spray	200	Beconase	Allergic Rhinitis	Aug-96	Discontinued by Manufacturer
4126e	Beclomethasone	50mcg	Nasal Spray	200	Aldecin	Allergic Rhinitis	May-97	Discontinued by Manufacturer
4131k	Betamethasone	0.10%	Cream	30g	Celestone V	Inflammatory Skin Conditions	Feb-96	Discontinued by Manufacturer
4132l	Betamethasone	0.10%	Ointment	30g	Celestone V	Inflammatory Skin Conditions	Feb-96	Discontinued by Manufacturer
4507F	Betamethasone	500mcg	Cream	50g	Diprosone	Inflammatory Skin Conditions	Feb-96	Deleted from RPBS by Review
4508G	Betamethasone	500mcg	Ointment	50g	Diprosone	Inflammatory Skin Conditions	Feb-96	Deleted from RPBS by Review
4517r	Betamethasone	0.05%	Gel	30g	Betnovate	Inflammatory Skin Conditions	Nov-97	Deleted from RPBS
4143c	Bismuth Formic Iodide		Powder	10g	BFI	Antiseptic	Aug-98	Deleted from RPBS
4156r	Carbenoxolone	2%	Gel	5g	Bioral	Eye Lubricant	Feb-99	Discontinued by Manufacturer
4149j	Carmellose	0.25%	Eye Drops	32	Thera-Tears	Eye Lubricant	Feb-02	Deleted from RPBS
4524d	Celecoxib	100mg	Capsules	60	Celebrex	Anti-Inflammatory	Aug-00	Listed on the PBS
4525e	Celecoxib	200mg	Capsules	60	Celebrex	Anti-Inflammatory	Aug-00	Listed on the PBS
4045x	Chlorhexidine gluconate	5%	Solution	200ml	Hibitane	Antiseptic	Nov-99	Deleted from RPBS by Review
4553p	Chlortetracycline	3%	Ointment	15mg	Aureomycin	Topical Antibiotic	Aug-98	Deleted from RPBS
4162c	Choline Salicylate gel	8.7/0.01/0.057/4.6/38.6%	Gel	15g	Seda-Gel	Oral Analgesic	Aug-98	Deleted from RPBS
4987l	Cilazapril	1mg	Tablets	30	Inhibace	Antihypertensive	May-98	Therapeutic Group Premium Deleted from PBS
4988m	Cilazapril	2.5mg	Tablets	30	Inhibace	Antihypertensive	May-98	Therapeutic Group Premium Deleted from PBS

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4989n	Cilazapril	5mg	Tablets	30	Inhibace	Antihypertensive	May-98	Therapeutic Group Premium Deleted from PBS
4166g	Clorazepate	5mg	Capsules		Tranxene		Feb-97	Deleted from RPBS
4167h	Clorazepate	15mg	Capsules		Tranxene		Feb-97	Deleted from RPBS
4004r	Clotrimazole	1%	Cream	20g	Canestin	Topical Antibiotic	Nov-99	Discontinued by Manufacturer
4014g	Clotrimazole	100mg	Pessary	6	Hiderm	Thrush	Feb-99	Discontinued by Manufacturer
4014g	Clotrimazole	100mg	Pessary	6	Gyne-Lotrimin	Thrush	Nov-99	Discontinued by Manufacturer
4015h	Clotrimazole	500mg	Pessary	1	Hiderm	Thrush	Feb-99	Discontinued by Manufacturer
4062t	Codeine and Aspirin	6/500mg	Tablets		Solcode	Analgesic	Aug-98	Deleted from RPBS
4702l	Cotton Wool Roll	Roll	Roll	375g	JJ 02011	Wound Care	Nov-00	Deleted from RPBS by Review
4195t	Diphenhydramine	50mg	Capsules	50	Benadryl	Antihistamine	Feb-98	Deleted from RPBS by Review
4065y	Diphenylpyraline	2.5mg	Tablets	50	Histalert	Antihistamine	Nov-96	Deleted from RPBS by Review
4197x	Disulfiram	250mg	Tablets		Antibuse	Alcohol Treatment	Nov-96	Discontinued by Manufacturer
4200c	Docusate	50mg	Tablets		Coloxyl 50	Laxative	Aug-98	Deleted from RPBS by Review
4201d	Docusate	120mg	Tablets		Coloxyl 120	Laxative	Aug-98	Deleted from RPBS by Review
4540y	Dorzolamide	2%	Eye Drops	5ml	Trusopt	Glaucoma	Feb-01	Listed on the PBS
4754f	Dressing Elastic Adhesive	6.3cm x 1m	Dressing	1	Elastoplast 4025	Wound Care	Feb-97	Deleted from RPBS
4817m	Dressing Elastic Adhesive	5cm x 7.2cm	Dressing	5	Cutiplast Seril	Wound Care	Feb-97	Deleted from RPBS
4818n	Dressing Elastic Adhesive	8cm x 10cm	Dressing	5	Cutiplast Seril	Wound Care	Feb-97	Deleted from RPBS
4837n	Dressing-Alginate with Charcoal	7.5cm x 12cm	Dressing		Kaltocarb 168201	Wound Care	Feb-99	Discontinued by Manufacturer
4900x	Dressing-Foam-light exudate	10cm x 10cm	Dressing	10	Hydrosorb 1694NW	Wound Care	Aug-00	Deleted from RPBS by Review
4904d	Dressing-hydrocoloidal (Cavity Wound)	14cm	Dressing	10	DermaSORB H7983	Wound Care	Aug-00	Deleted from RPBS by Review
4006w	Econazole Nitrate	1%	Cream	20g	Ecostat	Topical Antifungal	Nov-99	Deleted from RPBS by Review
4018l	Econazole Nitrate	150mg	pessaries	3	Ecostat	Thrush	Aug-99	Deleted from RPBS by Review

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4019m	Econazole Nitrate	1.50%	Cream	35g	Ecostatin	Thrush	Nov-99	Deleted from RPBS by Review
4970n	Enalapril	5mg	Tablets	30	Renitec Wafer	Antihypertensive	May-01	Therapeutic Group Premium Deleted from PB
4971p	Enalapril	10mg	Tablets	30	Renitec Wafer	Antihypertensive	Feb-01	Therapeutic Group Premium Deleted from PB
4972q	Enalapril	20mg	Tablets	30	Renitec Wafer	Antihypertensive	Feb-01	Therapeutic Group Premium Deleted from PB
4990p	Enalapril	5mg	Tablets	30	Amprace/Renitec	Antihypertensive	Feb-01	Therapeutic Group Premium Deleted from PB
4991q	Enalapril	10mg	Tablets	30	Amprace/Renitec	Antihypertensive	Feb-01	Therapeutic Group Premium Deleted from PB
4992r	Enalapril	20mg	Tablets	30	Amprace/Renitec	Antihypertensive	Feb-01	Therapeutic Group Premium Deleted from PB
4234w	Enoxaparin Sodium	100mg	Injection		Clexane	Thromboembolism Therapy	May-96	Listed on the PBS
4205h	Ethambutol	100mg	Tablets		Mycambutol	Tuberculosis treatment	May-98	Deleted from RPBS
4206j	Ethambutol	400mg	Tablets		Mycambutol	Tuberculosis treatment	May-98	Deleted from RPBS
4764r	Felt Pad Corn	Round	Pads	9	SO 12010	Wound Care	Feb-97	Deleted from RPBS
4775h	Felt Pad Corn	Oval	Pads	9	SO 12011	Wound Care	Feb-97	Deleted from RPBS
4523c	Flucorolone	250mcg	Cream	30g	Topilar	Skin Treatment	Aug-96	Discontinued by Manufacturer
4212q	Flunisolide	250mcg	Nasal Spray	20ml	Rhinalar	Nasal Decongestant	May-96	Discontinued by Manufacturer
4213r	Flunitrazepam	2mg	Tablets	25	Rohypnol	Hypnotic	Aug-99	Discontinued by Manufacturer
4215w	Fluocortolone (Pivalate and Hexanoate)	2.5/2.5mg/g	Cream	30g	Ultralan	Skin Treatment	Nov-96	Discontinued by Manufacturer
4809d	Foam Cushion Bunion	Cushion	Pad	4	SO 12023	Wound Care	Feb-97	Deleted from RPBS
4810e	Foam Cushion Callous	Cushion	Pad	4	SO 12022	Wound Care	Feb-97	Deleted from RPBS

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4993t	Fosinopril	10mg	Tablets	30	Monopril	Antihypertensive	Nov-99	Therapeutic Group Premium Deleted from PB
4993t	Fosinopril	10mg	Tablets	30	Monopril	Antihypertensive	Nov-00	Therapeutic Group Premium Deleted from PB
4994w	Fosinopril	10mg	Tablets	30	Monopril	Antihypertensive	Nov-99	Therapeutic Group Premium Deleted from PB
4994w	Fosinopril	20mg	Tablets	30	Monopril	Antihypertensive	Nov-00	Therapeutic Group Premium Deleted from PB
4709w	Gauze Absorbent Pad	7.5cm x 7.5cm	Pad	100	Curity 6132	Wound Care	Feb-97	Deleted from RPBS
4710x	Gauze Absorbent Pad	7.5cm x 7.5cm	Pad	100	Handy 5673	Wound Care	Feb-97	Deleted from RPBS
4807b	Gauze Absorbent Pad	5cm x 5cm	Pad	100	Curity 3381	Wound Care	Feb-97	Deleted from RPBS
4808c	Gauze Absorbent Pad	10cm x 10cm	Pad	100	Curity 6039	Wound Care	Feb-97	Deleted from RPBS
4245k	Glyceryl Trinitrate	7.5mg/24hours	Patch	28	Nitro-Dur 7.5	Angina Therapy	Aug-99	Deleted from RPBS
4037l	Hydrocortisone and Cinchocaine	0.5%-0.5%	Ointment	2g x 5	Proctocedyl	Skin Treatment	Feb-02	Deleted from RPBS
4264k	Hydrocortisone and Cloquinol	1/1%	Cream	30g	Hydroform	Skin Treatment	Aug-98	Deleted from RPBS by Review
4272w	Hydroxyethylrutosides	250mg	Tablets		Parovan	Venous Insufficiency	Aug-98	Deleted from RPBS by Review
4273x	Hydroxyzine	25mg	Capsules	50	Atarax	Antihistamine	Nov-99	Deleted from RPBS by Review
4274y	Hydroxyzine	50mg	Capsules	50	Atarax	Antihistamine	Nov-99	Deleted from RPBS by Review
4044w	Idoxuridine	0.50%	Ointment	5g	Stoxil	Herpies Simplex Treatment	Aug-98	Deleted from RPBS by Review
4634x	Inhalation Device	Device		1	Volumatic 10259	Asthma Treatment	Feb-97	Transferred to RAP
4633w	Inhalation Lever Device Met.Aero.	Device		1	Haleraid	Asthma Treatment	Feb-97	Transferred to RAP
4616y	Injection site prep. Swab	Isporopyl alc	Swab	100	Medi Swab 1000H	Wound Care	Feb-97	Transferred to RAP
4777k	Lambs' Wool	sterile single	Pack	1	SO 12076	Wound Care	Feb-97	Deleted from RPBS
4711y	Lint Absorbent	Pack	Pack	50g	Handy 4032	Wound Care	Feb-97	Deleted from RPBS

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4995x	Lisinopril	5mg	Tablets	30	Zestril	Antihypertensive	May-99	Therapeutic Group Premium Deleted from PB
4996y	Lisinopril	10mg	Tablets	30	Zestril	Antihypertensive	May-99	Therapeutic Group Premium Deleted from PB
4997b	Lisinopril	20mg	Tablets	30	Zestril	Antihypertensive	May-99	Therapeutic Group Premium Deleted from PB
4020n	Miconazole	100mg	pessaries	7	Gyno-Daktarin	Thrush	Aug-99	Discontinued by Manufacturer
4021p	Miconazole	2%	Cream	40g	Gyno-Daktarin	Thrush	Aug-99	Discontinued by Manufacturer
4571n	Nicotine	7mg/24hours	Patch	7	Nicotinell	Nicotine Replacement Therapy	May-00	Discontinued by Manufacturer
4572p	Nicotine	14mg/24hours	Patch	7	Nicotinell	Nicotine Replacement Therapy	May-00	Discontinued by Manufacturer
4573q	Nicotine	21mg/24hours	Patch	7	Nicotinell	Nicotine Replacement Therapy	May-00	Discontinued by Manufacturer
4574r	Nicotine	22mg/24hours	Patch	14	Prostep	Nicotine Replacement Therapy	Feb-97	Discontinued by Manufacturer
4575t	Nicotine	11mg/24hours	Patch	14	Prostep	Nicotine Replacement Therapy	Feb-97	Discontinued by Manufacturer
4002p	Nystatin	100,000 units	Ointment	15g	Mycostatin	Topical Antifungal	Nov-99	Discontinued by Manufacturer
4013f	Nystatin	100,000 units	Cream	75g	Mycostatin	Thrush	Nov-99	Discontinued by Manufacturer
4998c	Perindopril	2mg	Tablets	30	Coversyl	Antihypertensive	Aug-98	Therapeutic Group Premium Deleted from PB
4999d	Perindopril	4mg	Tablets	30	Coversyl	Antihypertensive	Aug-98	Therapeutic Group Premium Deleted from PB
4033g	Phenylephrine	0.12%	Eye Drops	15ml	Isopto Frin	Eye Decongestant	Aug-98	Deleted from RPBS by Review

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4408b	Pine Tar and triethanolamine	2.3/6%	Solution	500ml	Dermatar	Skin Treatment	Feb-98	Discontinued by Manufacturer
4733d	Plaster Adhesive Elastic	5cm x 2.75m	Roll	1	Elastoplast 186101	Wound Care	Aug-97	Discontinued by Manufacturer
4734e	Plaster Adhesive Elastic	7.5cm x 2.75m	Roll	1	Elastoplast 186001	Wound Care	Aug-97	Discontinued by Manufacturer
4530k	Povidone-Iodine	14.50%	Powder	20g	EDP	Antiseptic	Aug-98	Deleted from RPBS by Review
4417l	Procainamide	500mg	Durules		Procainamide		Nov-96	Discontinued by Manufacturer
4637c	Rotahaler	Rotahaler		1	Ventolin	Asthma Treatment	Feb-97	Transferred to RAP
4638d	Rotahaler	Rotahaler		1	Becotide	Asthma Treatment	Feb-97	Transferred to RAP
4465b	Sodium Cromoglycate	10mg	Capsules	100	Rynacrom	Asthma Treatment	Feb-96	Discontinued by Manufacturer
4635y	Sodium Cromoglycate		Nasal insufflator		Rynacrom	Allergic Rhinitis	Feb-96	Discontinued by Manufacturer
4636b	Spinhaler	Spinhaler		1	Intal	Asthma Treatment	Feb-97	Transferred to RAP
4544e	Sunscreen	15+ SPF	Cream	100g	Aquasun Block	Sun Protection	Feb-96	Discontinued by Manufacturer
4872k	Tapes-plaster adhesive hypoallergenic	1.25cm x 4.5m	roll	1	Micropore Skintone RF7	Wound Care	May-00	Deleted from RPBS by Review
4877q	Tapes-plaster adhesive hypoallergenic	2.5cm x 4.5m	roll	1	Micropore Skintone RF8	Wound Care	May-00	Deleted from RPBS by Review
4562d	Terfenadine	60mg	Tablets		Teldane	Wound Care	Aug-98	Discontinued by Manufacturer
4477p	Tetra-bromo-orthocresol, undecenoic acid, zinc undecenoate and zinc oxide	1/1/5/5%	Powder	50g	Pedoz	Topical Antifungal	Aug-99	Deleted from RPBS
4479r	Tolnaftate	1%	Powder	30g	Pedi-Derm	Topical Antifungal	Aug-99	Deleted from RPBS
4486d	Tolnaftate	1%	Solution	15ml	Pedi-Derm	Topical Antifungal	Aug-99	Deleted from RPBS
4537t	Tolnaftate	0.10%	Cream	30g	Pedi-Derm	Topical Antifungal	Aug-97	Discontinued by Manufacturer
4482x	Triamcinolone/Neomycin/Gramicidin and Nystatin	1mg/2.5mg/250mcg/100,000 units/g	Cream	15g	Aristocomb	Skin Treatment	Nov-96	Discontinued by Manufacturer

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4483y	Triamcinolone/Neomycin/ Gramicidin and Nystatin	1mg/2.5mg/250m cg/100,000 units/g	Cream	15g	Kenacomb	Skin Treatment	Nov-96	Discontinued by Manufacturer
4483y	Triamcinolone/Neomycin/ Gramicidin and Nystatin	1mg/2.5mg/250m cg/100,000 units/g	Cream	15g	Aristocomb	Skin Treatment	Nov-96	Discontinued by Manufacturer
4486d	Urokinase	500,000 units	Injection	1	Ukidan		May-00	Deleted from RPBS by Review
4489g	Urokinase	100,000 units	Injection	1	Ukidan		May-00	Deleted from RPBS by Review
4488f	Vitamin A	540mcg/g	Ointment	50G	Ungvita	Skin Treatment	Aug-98	Deleted from RPBS by Review
4490h	Vitamin A, Calamine and Silicone	150mcg/100mg/1 0mg/g	Cream	50g	Ungvita Cream	Skin Treatment	Aug-98	Deleted from RPBS by Review
4499t	Zinc Pyrithione	0.50%	Cream	75g	Dan Gard Hold and Care	Dandruff	Feb-97	Discontinued by Manufacturer
4034h	Zinc Sulfate and Phenylephrine	0.25/.12%	Eye Drops	15ml	Prefrin-Z	Eye Decongestant	Aug-00	Discontinued by Manufacturer
4026x	Methyl Salicylate	APF	Liniment	100mls	Metsal	Topical Analgesia	May-01	Discontinued by Manufacturer
4079q	Budesonide	100mcg	nasal spray	200 doses	Rhinocort Aqueous	Allergic Rhinitis	Nov-01	Discontinued by Manufacturer
4129h	Benzotropine	0.5mg	Tablets	50	Cogentin	Antiparkinsonism	Feb-02	Discontinued by Manufacturer
4220d	Enoxaparin Sodium	20mg	Injection	1	Clexane	Thronboembolism Therapy	Feb-02	Listed on the PBS
4221e	Enoxaparin Sodium	40mg	Injection	1	Clexane	Thronboembolism Therapy	Feb-02	Listed on the PBS
4223g	Flurouracil	1%	Solution	30ml	Fluoroplex	Cytotoxic Agent	May-02	Deleted from RPBS
4225j	Delteparin Sodium	5000 units	Injection	1	Fragmin	Thronboembolism Therapy	May-02	Listed on the PBS
4538w	Tetra-bromo-orthocresol, undecenoic acid, zinc undecenoate and zinc oxide	10mg/ml	Solution	1	Pedi-Derm	Topical antifungal	Aug-99	Deleted from RPBS

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4655b	Bandage Compression	10cm x 5m	Bandage	1	Tensolan 66000012	Wound Care	Nov-01	Deleted from RPBS
4666n	Bandage-Triangular	7.5cm x 1m	Bandage	1	Tensogrip 104320	Wound Care	Nov-01	Deleted from RPBS
4716f								
4719j	Bandage Retention Cohesive-light	6cm x 4m	Bandage	1	Easifix Cohesive5870	Wound Care	Nov-01	Deleted from RPBS
4860h	Pressure Reducing Products		Bandage		Comfeel Plus Pressure 3356	Wound Care	Feb-02	Discontinued by Manufacturer
4879t	Dressing-foam-moderate exudate	10cm x 10cm	Dressing	1	Lyofoam extra 603050	Wound Care	Nov-01	Discontinued by Manufacturer
4213r	Flunitrazepam	2mg	Tablets	25	Hypnodorm	Hypnotic	Feb-02	Discontinued by Manufacturer

Note: RAP is the Rehabilitation Appliances Program

Review is the periodic review of items conducted by the RPRC

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Question 5

Senator Mark Bishop asked:

Of the 335,000 requests processed by VAPAC (Veterans' Affairs Pharmaceutical Approvals Centre) in 2000-2001, how many were refused?

Answer:

The figure of 335,000 requests to be processed by VAPAC in 2000–2001 was an estimate made at the time of preparing the Annual Report. The actual number of requests was 367,163.

The number of requests that were 'not approved' was 16,345 for the financial year 2000-2001.

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Outcome 2 (Health)

Question 6

Senator Mark Bishop asked:

(a) What pharmaceutical items marketed in Australia but outside the RPBS have been prescribed for veterans with VAPAC approval?

Answer:

Attached is the list of non-scheduled items (ie those items not appearing in the *Schedule of Pharmaceutical Benefits*) processed by VAPAC and approved through the prior approval arrangements.

(b) How many of these VAPAC-approved prescriptions have been filled in each of the last three years?

Answer:

Attached is the dispensings of all non-scheduled items processed by VAPAC approved through the prior approval arrangements. VAPAC began operation in May 2000 and each state was phased in over a 6-week period. The last state was introduced on 3 July 2000. Only the 2000-2001 financial year data for VAPAC processing is readily available.

(c) What has been the total annual cost of each of those items approved by VAPAC for those three years?

Answer:

Attached is the cost of non-scheduled items processed by VAPAC approved through the prior approval arrangements. VAPAC began operation in May 2000 and each state was phased in over a 6-week period. The last state was introduced on 3 July 2000. Only the 2000–2001 financial year data for VAPAC processing is readily available.

(Copies of this attachment can be obtained by contacting the FAD&T Secretariat on (02) 6377 3539.)

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 4 June 2002

Question 14

Senator Mark Bishop asked:

Hansard pages 208-209. Do the six pharmaceutical savings measures have a differential impact on veterans? Was this taken into account in the costings?

Answer:

There is no evidence to suggest there is a differential impact and this was taken into account in the costings.

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Outcome 2 (Health)

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Question 15

Senator Mark Bishop asked:

Hansard page 209. Have you taken into account any reduction in demand for pharmaceuticals dispensed resulting from increased patient contributions to medicines?

Answer:

A possible reduction in demand caused by the increased patient contributions was considered. However, these reductions in potential demand were considered to be very limited and offset by increases in other factors such as the historic increase in prescription numbers of approximately 8%pa.

The net effect was considered to be no net decrease in demand.

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Outcome 2 (Health)

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Question 16

Senator Mark Bishop asked:

Hansard pages 211-212. Why are the savings for the measure 'Reinforcing the commitment to evidenced based medicine' greater than for the other measures?

Answer:

The savings for this measure were estimated on the proportion of authority items. DVA has a higher proportion of authority items in its RPBS approvals than the general population has in the PBS approvals.

An authority item is an item that requires the doctor to obtain permission (an authority) from the Health Insurance Commission for the PBS or from Veterans' Affairs Pharmaceutical Approvals Centre for the RPBS before it can be prescribed under the PBS or RPBS.

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Outcome 2 (Health)

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Question 17

Senator Mark Bishop asked:

Hansard page 212. Was the overlap between the measures taken into account when preparing the costings?

Answer:

No. The Department considered that the affect of any possible overlaps between the measures would be negligible.

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Outcome 2 (Health)

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Question 18

Senator Mark Bishop asked:

Hansard page 213. Do you have any evidence that pharmacies have been involved in fraud of that element of the RPBS which is distinct to DVA and not part of the PBS?

Answer:

Yes. From time to time the Department identifies some activity suggesting possible fraud involving items on the Repatriation Schedule of Pharmaceutical Benefits.

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Outcome 2 (Health)

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Question 19

Senator Mark Bishop asked:

Hansard page 214. In the last 12 months, how many reports have been brought to your attention on the nature of fraud by pharmacies in the RPBS component?

Answer:

Three.

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Outcome 2 (Health)

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Question 20

Senator Mark Bishop asked:

Hansard page 215. How many cases of fraud by pharmacies are currently under investigation by DVA?

Answer:

One.

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Outcome 2 (Health)

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Question 21

Senator Mark Bishop asked:

Hansard page 223. What did the two data marts cost to build?

Answer:

- Amount spent on the Private Hospital Data Mart - \$3,255, 000
- Amount spent on the Community Nursing Data Mart - \$333,000

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Outcome 2 (Health)

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Question 22

Senator Mark Bishop asked:

Hansard page 226. Could I ask you to provide a copy of the terms of reference for the AIHW work?

Answer:

Details of the Community Comparison and Cost Drivers Project are as follows:

Project Aim

This project seeks to provide an understanding of the factors that drive DVA health care expenditure on entitled veterans and war widows. It seeks to identify the components of the expenditure, examine their changes over time and the policies and issues that have influenced these changes and to compare these patterns with those in the rest of the community.

Collaboration and timeframe

DVA has sought the assistance of the Australian Institute of Health and Welfare under its MOU to carry out this project. The project will comprise three stages:

1. an initial comparative analysis of available data, comparing veterans with their community cohort and with the rest of the community;
2. a subsequent analysis on projections of expenditure patterns and usage; and
3. an analysis of end of life factors of veterans compared with their community cohort.

A timeframe of 2 months has been nominated for stage 1. Details of the subsequent stages will be refined at a later stage.

Outcomes

The outcomes of stage 1 will be a single or series of reports and datasets.

- It will include documentation of available data.
- The analysis will compare veterans with (a) their community cohort and (b) the rest of the community.
- The period of coverage will be 1997-98, 1998-99 and 1999-00 (the full years for which DVA data is immediately available).
- The analysis will cover expenditure, activity levels and unit price.
- The data will be disaggregated into the categories of Public hospitals, Private hospitals, LMO consultations, Specialist consultations and Pharmacy.

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Method

DVA with the AIHW will develop a number of models that will bring together readily available data. These data sets will be mostly derived from DVA and AIHW data holdings. Given the limited time frame, these models will group the priority areas of Public hospitals, Private hospitals, LMO consultations, Specialist consultations and Pharmacy. Allied health, Dental, Community Nursing and other health activity will be covered in subsequent stages. These models will provide the basis for the subsequent stages of the project, which will allow for greater depth of analysis and disaggregation to lower levels.

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Question 23

Hansard page 229.

- 1 Are there any veterans in the WA nursing homes owned by Hall and Prior Aged Care Group which were found negligent in their care of residents?**
- 2 If so, how many veterans are there at Burswood Private, Freshwater Bay, St Luke's, Kensington Park and Ascot Nursing?**
- 3 What action has the department taken since the Aged Care Standards Agency reduced the accreditation periods of those nursing homes?**

Answer:

1. The Department of Health and Ageing has advised that sanctions were imposed on three Hall and Prior Aged Care Group facilities. They are Ascot Nursing Home, Windsor Park Aged Care Facility and Mosman Park Nursing Home. Sanctions were lifted on Ascot and Windsor Park on 30 May 2002. As of 30 May 2002 there were two war widows in Ascot, six veterans and three war widows in Windsor Park, and three veterans and three war widows in Mosman Park Nursing Home.
2. As of 30 May 2002 there were one veteran and one war widow at Burswood Nursing Home, six veterans and five war widows at Freshwater Nursing Home, no members of the veteran community at St Luke's Nursing Home, four veterans and three war widows at Kensington Nursing Home, and, as previously mentioned, two war widows at Ascot Nursing Home.
3. The Department of Veterans' Affairs has taken no action as Department of Health and Ageing is responsible for the management of the Commonwealth Residential Aged Care Program and for the imposition of any sanctions that may be required. DVA has agreed protocols with the Department of Health and Ageing whereby DVA follows-up with veterans and their families when a facility is in danger of facing closure. This is not the case with these homes.

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Question 24

Senator Mark Bishop asked:

Hansard page 231. Could a copy of the ATO draft private rulings on the application of the GST Legislation to the Department's activities be made available to the Committee?

Answer:

Since the introduction of GST on 1 July 2000, the Department of Veterans' Affairs ('the Department') has based its GST position in relation to payments for health services on general advice in the form of a private ruling issued by the Australian Taxation Office ('ATO') on 21 February 2000. Following requests by providers for private rulings and the provision of information by the Department to the ATO, the ATO issued general advice in the form of 15 private rulings on 22 March 2002 on the application of GST to various veteran health services and supplies paid for by the Department.

Since receiving the rulings, the Department, the ATO and the Department of the Treasury have been working collaboratively to resolve a number of additional GST related issues with regard to the Department's systems and health service arrangements.

At the request of the Department and due to these ongoing discussions and the large number of providers who have entered into service agreements with the Department, the Department and the ATO have agreed on interim arrangements for the handling of the GST obligations of providers. In the main, these will have the effect of providers continuing to treat transactions for GST in the manner they have been treating them to date until they are notified of any change that may be necessary. Any changes in the GST treatment of transactions will not have any retrospective application.

Whilst there has been in-principle agreement between the Department and the ATO on the application of GST to certain veteran health services and supplies provided under specific agreements, there are further issues to be resolved. These relate to the detail of the GST status of specific services and supplies and the detail of transitional arrangements. Given that a large number of providers are affected, it is considered appropriate to resolve these issues before advising affected providers of the new requirements.

It is proposed that copies of comprehensive rulings be forwarded at that stage.

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Question 28

Senator Mark Bishop asked:

Hansard Page 328. How much of the original \$29.5m budget allocation for measures following the completion of the Vietnam Veterans Health (Morbidity) Study remains unspent ? What are the plans for the use of that money ?

Answer:

The Department of Veterans' Affairs has expended funds on the Government response to the findings of the Vietnam Veterans Health (Morbidity) Study in line with annual allocations. Of the \$29.5m, allocated over 4 years, approximately \$8.1m was allotted to the first financial year and \$7m to the second, of this:

Only two areas are underspent against allocation. These are the Vietnam Veterans' Children Support Program (VVCSP) and the Crisis Relief Project. The Department provided a budget of \$700,000 annually for the VVCSP, which is administered by the Department of Health and Ageing, but this has been underspent by more than \$500,000. This is a demand driven program and it is clear that there was a considerable over-estimate of demand.

The Crisis Relief Project is also underspent at this stage, but this is due to delays in the development, marketing and implementation of various aspects of the project.

On the other hand projects such as the National Heart Health Project and the National Vietnam Veterans Sons and Daughters Project, are over-spent against allocation.

In effect, the funds have been fully expended.

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Question 31

Senator Mark Bishop asked:

Hansard page 331. Please advise if access to VVCS services provided after the Black Hawk accident is on a cost recovery basis. Can you also take on notice the level of usage to date and what sums have been spent on that scheme ?

Answer:

Since the Black Hawk accident and subsequent announcements in Parliament the VVCS has signed a Memorandum of Understanding with the Australian Defence Force to provide counselling services to current serving defence personnel on a cost recovery basis.

To date seventeen referrals have been received by VVCS. These have been routine counselling cases that have not required additional costs to VVCS, apart from a small impost on staff resources. These costs have been fully reimbursed by the Department of Defence.

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Question 40

Senator Mark Bishop asked:

Re: Answer To QoN 16 from AE 22/2/02

Table 2 indicates that the average cost per separation in public hospitals varies from \$2100 in Queensland where there were 14,000 separations to \$4625 in South Australian and the Northern Territory where there were 14,244 separations.

The number of separations being so close, what explanation is there for the average cost per separation in South Australia being more than double that in Queensland?

Are the demographics of the veteran population substantially different in the two States?

Answer:

Table 2 presents Departmental expenditure related to services provided by public hospitals. This expenditure has been recorded by date of payment, not date of service. Dates of payment figures were used so that the total hospital expenditure could be related to that in the Program Performance Statements.

AGE	00-54	55-59	60-64	65-69	70-74	75-79	80-84	85+
QLD	15.5%	6.9%	4.2%	4.2%	8.0%	27.1%	23.3%	10.8%
SA	12.0%	5.1%	2.3%	2.5%	7.0%	31.5%	26.6%	13.0%

The expenditure recorded against South Australia includes reconciliation payments from the previous financial year and includes items of expenditure for services delivered by the public hospitals in both South Australia and the Northern Territory. Similarly the Queensland data represents payments made up to the date the table was produced for public hospital services, but not necessarily all of the costs related to the purchasing of services for veterans in the Queensland Public Sector.

Directly linking expenditure to public hospital separations the average cost to the Department of a public hospital separation in Queensland in 2000/2001 was \$2,761. Extracting the Northern Territory the equivalent figure for South Australia is \$3,166.

As of March 2002 the Department's estimate of the veteran population suggest that the Queensland veteran population is slightly more than twice the size of the South

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Australian veteran population. Proportionately the South Australian population is slightly older with 78% of veterans aged over 70 years. The equivalent figure for Queensland is 68%. See the following Table 1. and attached graph.

Table 1. Estimated Queensland and South Australian Veteran Population, March 2002

State	Male	Female	Total
Queensland	50,242 (68%)	23,612 (32%)	73,824 (100%)
South Australia	19,412 (66%)	9,926 (34%)	29,330 (100%)

In interpreting the average cost in South Australia it should be noted that the public sector costs are skewed by inclusion of a profile of more acute complex tertiary patients, due to the continued high veteran utilisation of the former Repatriation General Hospital Daw Park which was transferred to the South Australian Government. Whereas in Queensland, there is a higher incidence of the complex tertiary patients remaining in the private sector due to the transfer of the Greenslopes Repatriation Hospital to private ownership. The Queensland Public Hospital average cost is also skewed by the higher incidence in public hospitals of low acuity medical patients in rural areas and to the large number of Queensland public hospitals in rural areas.

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Question 41

Senator Mark Bishop asked:

Re: Answer To QoN 16 from AE 22/2/02

Tables 3 and 4 give examples of 13 surgical and medical DRGs (Diagnostic Related Groups) and indicate that the ALOS (average length of stay) in WA's private hospital is the longest of any State in 8 out of those 13 DRGs, and second longest in 4 of the remaining 5 DRGs.

Can you suggest why the ALOS for WA private patients is consistently longer than in other States?

Answer:

Hollywood Private Hospital provides approximately 91% of the Department's private sector separations in Western Australia. Some private hospitals in other States only provide the acute phase of hospital treatment; then the patient is transferred to another hospital which provides non-acute services such as rehabilitation. In effect there are two episodes of care - each with a separate length of stay. Hollywood provides a full range of hospital care including the acute and non-acute phases so their aggregation appears to indicate longer average lengths of stay when compared to the average length of stay for the same DRG provided by another hospital.

Hollywood also treats veterans from rural and remote areas. These patients may be admitted earlier and discharged later than patients who reside locally. Additionally, social factors such as insufficient home carer support may delay the discharge of a patient until alternative arrangements have been made.

The Department is undertaking an ongoing review of the veteran utilisation performance by each hospital provider including Hollywood Private Hospital; regular exchanges of information with Hospitals enables a better appreciation by both parties of trends and, where appropriate, agreed action to address trends.

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Question 42

Senator Mark Bishop asked:

Re: Answer To QoN 16 from AE 22/2/02

Also, just looking at Table 4, there is one figure which appears to be erroneous on the top line (Psychiatric, Private, WA, ALOS) at the end – it says 4.22. Excluding that figure, considering both public and private hospitals, the ALOS ranges from 12.76 to 26.46, with an average of 18.78, so that WA private hospital figure does not seem correct, or if it is there must be some reason for it. Could you check that figure out?

Answer:

At the time of responding to the original question, the number of separations for DRG B63Z in WA was 184 and the Average Length Of Stay (ALOS) was 4.22 during 2000-2001. Since this time, more data has become available and the number of separations for DRG B63Z has increased to 199 and the ALOS to 4.61 for 2000-2001.

Of the 199 separations, 168 were same-day episodes with a length of stay of one (i.e. same) day, which has lowered the ALOS figure compared to other States.

In Western Australia, Hollywood Private Hospital, which is the main provider of private hospital services, has special one-day programs for psychiatric admissions. These one-day psychiatric admissions are included with the longer admissions, hence reducing the overall ALOS. If these one-day admissions were taken out of the WA figures, the ALOS would increase to 24.22.

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Question 43

Senator Mark Bishop asked:

Medical Indemnity Insurance Crisis

- (a) Have doctors raised any concerns about medical indemnity insurance with the Department since the failure of UMP?**
- (b) Have veterans raised any concerns about medical indemnity insurance with the Department?**
- (c) Is the Department aware of any doctors who did not treat veteran patients upon the provisional liquidation of UMP?**
- (d) Has DVA been consulted by the Government regarding the impact and resolution of this problem?**
- (e) Is the Department satisfied the Government will find a long term resolution to this problem?**

Answer:

- (a) Yes. A number of doctors have raised concerns about medical indemnity in letters to the Minister and to the Department.
- (b) The Department is only aware of a few veterans raising concerns about medical indemnity at this time.
- (c) The Department is not aware of any doctors who do not treat veteran patients as a direct consequence of the provisional liquidation of UMP.
- (e) The Minister for Health and Ageing, Senator Patterson and the Assistant Treasurer, Senator Coonan have primary carriage of this issue and have been working with all parties involved in medical indemnity to resolve its many and complex issues.

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Question 44

Senator Mark Bishop asked:

Nursing Home Insurance Costs

- (a) Has the Department been contacted by any nursing homes about concerns that their public liability insurance premiums will increase?**
- (b) Have there been any suggestions that premium increases of up to 830% will affect nursing homes treating veterans?**
- (c) Have these premium increases been factored into the forward estimates of departmental expenditure?**
- (d) If so, what size increase have you accounted for?**

Answer:

- (a) No.**
- (b) The Department of Veterans' Affairs (DVA) has received no suggestions on this matter.**
- (c) The Department of Health and Ageing (DoHA) has portfolio responsibility for determining funding issues for the Commonwealth Residential Aged Care Programme. DVA only holds the appropriation for Commonwealth residential care subsidy for members of the veteran community in residential care which is regularly disbursed to DoHA.**
- (d) See previous answer (c).**

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Question 45

Senator Mark Bishop asked:

Tender—Spectacles

What is the circulation of the Weekend Australian and the Sydney Morning Herald in WA, Queensland, SA, Victoria, Tasmania and the Northern Territory?

Answer:

The answer to this question is not within the province of the Department of Veterans' Affairs. However, enquires have established:

- the circulation of the Weekend Australian is as follows; and

STATE	CIRCULATION
WA	36,000
QLD	79,500
SA	38,700
VIC	58,600
TAS	10,200
NT	Not available

- the circulation of the Sydney Morning Herald is not available by state breakdown. The national circulation for Monday to Friday is 224,000+, with less than 10,000 of those circulated to other states.

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Question 46

Senator Mark Bishop asked:

Tender—Spectacles

Is it common practice for the Department to only advertise tenders in those two newspapers?

Did the Department consider advertising in industry publications? If not, why not?

Answer:

In order to comply with Commonwealth Procurement Guidelines, the Department advertises tenders in the Commonwealth Purchasing and Disposals Gazette.

To supplement the Gazette, the Department's individual business units select various newspapers in which to advertise tenders, based on information available at the time.

The decision to advertise the exposure draft and the final optical tender in the government tenders page of the Weekend Australian and the tender page of the Sydney Morning Herald, was based on media advice provided at that time and budget considerations.

With representation of the industry through membership of the Department's Optical Advisory Group, and with separate advice about the pending tender process provided to the Department's 2,500 plus contracted optical providers in December 2000, it was not considered necessary to also advertise the tender in industry publications.

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Question 47

Senator Mark Bishop asked:

Tender—Spectacles

Did the Department consider advertising in industry publications? If not, why not?

Answer:

See answer to question no 46.

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Question 48

Senator Mark Bishop asked:

Tender—Spectacles

Why did the Department choose only to conduct industry briefings in Sydney and Adelaide?

Answer:

The locations for the industry briefings for the optical tender were chosen on the following basis:

- Sydney, as a major central location on the eastern seaboard; and
- Adelaide, as a major location nearer to the western seaboard, but within reach of Melbourne.

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Question 49

Senator Mark Bishop asked:

Tender—Spectacles

Is it common practice for the Department to conduct industry briefings only in Sydney and Adelaide?

Answer:

The Department's individual business units choose the locations of industry briefings according to perceived business needs, availability of departmental facilities and staff, and within budget constraints.

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Question 50

Senator Mark Bishop asked:

Tender—Spectacles

How many parties attended the industry briefings in Sydney and Adelaide?

Answer:

The number of parties attending the industry briefings were:

- Sydney – 6 parties
- Adelaide – 5 parties

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Question 51

Senator Mark Bishop asked:

Tender—Spectacles

When the Department wrote to all existing contracted optometrists and dispensers in December 2000, it undertook to provide “*information about the new arrangements and a new pricing schedule when the Standing Offer comes into effect.*” Did the Department do this? If so, when?

Answer:

Yes, the Department wrote to contracted optometrists and dispensers in September 2001, advising of the phased implementation of the new range of spectacle frames from 1 October 2001.

This mailout included:

- Introductory letter
- Information sheet explaining the new arrangements
- DVA/Defence colour catalogue of new frames
- Detailed listing of new frames including wholesale prices and DVA fees
- Statement of Intent, to be signed and returned to DVA

Attached are copies of the above items.

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Question 52

Senator Mark Bishop asked:

Tender—Spectacles

The Department wrote to all existing contracted optometrists and dispensers to advise that a new range of frames was being planned in December 2000, and yet to announce the tender process advertised in March 2001 in the SMH and Weekend Australian. Would it not have been more expeditious to combine those two letters so that all contracted optometrists and dispensers were aware of the new tender?

Answer:

The initial purpose of the December 2000 letter to existing contracted optometrists and optical dispensers was to advise them of the indexation of the Department's optical fees and the annual issue of the 2001 Pricing Schedule of Visual Aids.

The Department saw this as an opportunity to advise all contracted optical providers of the Department's intention of introducing a new range of spectacle frames early in the new year, through a competitive tender process in conjunction with the Department of Defence.

At this time the draft tender was under development and the expected date of release was not known. It was therefore not possible to include a release date in the December 2000 letter.

Please note that the tender was targeted at spectacle frame manufacturers, distributors and importers that had the capacity of supplying frames to all of the Department's 2,500 plus contracted optometrists and optical dispensers across Australia.

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Question 53

Senator Mark Bishop asked:

Tender—Spectacles

Who was on the Optical Advisory Group established in April 2000? I presume they would have experience in the industry, how is it that they had no conflict of interest?

Answer:

The Optical Advisory Group (OAG) comprises representatives of the following organisations:

- Optometrists Association Australia (clinical and technical expertise)
- Australasian Dispensing Opticians Association (technical expertise)
- Australian Guild of Dispensing Opticians (technical expertise)
- Optical Distributors and Manufacturers Association (technical and industry manufacturing and distribution expertise)
- Health Insurance Commission (clinical and technical expertise)
- Royal Australasian College of Ophthalmologists (clinical expertise)
- Department of Defence
- Department of Veterans' Affairs (Chair)

All OAG members, including departmental representatives, signed deeds of *No Conflict of Interest* and *Confidentiality*.

No OAG members were associated with any of the businesses that submitted tenders.

No industry or association representatives sat on the tender evaluation panel.

The members with technical expertise advised the Department on the technical, fashion and value-for-money aspects of frames submitted for assessment, as a separate and discreet component of the evaluation of tenders.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 54

Senator Mark Bishop asked:

Tender—Spectacles

Is it true that OPSM is offering its own frame range to veterans and still claiming from the Department? Did the Department tell the industry, at any stage, that this was not possible?

Answer:

OPSM has agreed to fully participate in our new optical arrangements by sourcing DVA/Defence frames from the Department's standing offer suppliers. However, OPSM has advised that it will take them approximately 2-3 months (until 1 August 2002) to establish sufficient stocks of DVA/Defence frames at all of their 200 plus outlets across Australia, to be fully compliant with the new arrangements.

In the meanwhile, some OPSM outlets are providing non-DVA/Defence frames to members of the veteran community. However, they are only able to claim the lowest DVA fees for non-DVA/Defence frames.

Under the Department's optical supply arrangements, veterans have always had the choice of selecting a non-DVA/Defence frame, and paying the difference in cost between the Department's set fee and the full retail cost of the frame. This policy remains as part of the new optical arrangements.

At no time has the Department advised its contracted optical providers of a change to this policy. However, in the September 2001 mailout to contracted optical providers introducing the new frame range, providers were advised that veterans should now be shown the in-store display of DVA/Defence frames, and view the entire range in the colour catalogue, before selecting a non-DVA/Defence frame.

This new requirement is intended to overcome the difficulties caused by some optical providers, of showing veterans a very limited number of poor quality frames, to encourage them into co-payment arrangements.

It should be noted that veterans are now actively seeking optical outlets that stock and sell the new DVA/Defence frames. Early feedback indicates that the new DVA/Defence range of frames is satisfying the needs of veterans and war widows, without their having to pay co-payments.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 55

Senator Mark Bishop asked:

Public v Private Costs

At last estimates I raised the issue of the shift of veterans' health care from the public sector to the private sector, noting the huge increase in private hospital usage but also the huge increase in outlays in all States except WA and Queensland. You stated that it is difficult to make comparison between States, but I note the recent research of Monash and La Trobe Universities by Jackson and Duckett which estimated that the average cost of a public hospital episode was \$1774 but in a private hospital it was \$1941.

- (a) Has DVA examined this research and if so, is it able to corroborate?**
- (b) What specific study or analysis has been conducted?**
- (c) Does the Department have any concerns at the efficiency of the private sector as a result of these figures?**
- (d) How do the Department's average private and public episode costs compare to these figures of Jackson & Duckett?**

Answer:

- (a) The two figures \$1774 and \$1941 were developed by Jackson and Duckett to facilitate their attempt to compare general community public and private hospital average episodic costs and are based upon 1996-97 data. The two figures are a construct to facilitate the comparison undertaken in the paper and thus do not represent the actual cost of an episode in either a public or private hospital.**
- (b) The Department is about to undertake a review of its public and private sector purchasing. It is envisaged that an external consultant will conduct this exercise. To date Departmental analysis has been conducted only in respect of determining specific purchasing strategies with various public and private providers.**
- (c) The Department is not in a position to comment specifically upon the relative efficiencies of the public and private sectors as set out in the Jackson and Duckett paper. The figures reflect a very aggregated "general community average" cost which masks the relative efficiencies that varies from State to State and hospital to hospital.**

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The Department, in developing its Veteran Partnering contracts with the private hospital sector, has sought to have regard to what it pays for comparative services in the public sector in each State. In the Department's comparative analysis, it has taken into account the types of adjustments identified in the Jackson and Duckett report, such as consistency in accounting for cost of care and appropriate adjustments for competitive neutrality, so that pricing outcomes in the private sector can be broadly compared with those paid in the public sector in each State, having due regard to these adjustments. The Department has found that while outcomes vary from hospital to hospital and state to state, for its client group adjusted purchasing costs are broadly comparable between the two sectors.

- (d) Jackson and Duckett's study is based upon costing data supplied to the Commonwealth as part of the National Hospital Cost Data Collection in 1996-97. It reflects the general community "average" cost of the total population accessing hospitals and it is based on the aggregation of each hospital's costs for both the public and private sectors at the time. The Department does not have access to the detail of the hospital cost data set for that time to enable comparative figures to be provided.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 56

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

What is the reason for the inclusion on the RPBS of:

- **Antihistamines (\$201,189 Zyrtec; \$561,868.76 Telfast; \$1,629,614.57 Claratyne; Phenergan: \$139,319.39 Total = over \$2.5 million)?**
 - **Aspirin (over \$1 million in 2000-01) – what uses are within the RPBS conditions?**
 - **Bath oil (\$157,185.71 in 2000-01)**
 - **Sunscreen (\$332,902 for 2000-01)**
- Laxatives (over \$2.2 million in total in 2000-01)**

Answer:

The Department believes that these medications should be made available, as concessional benefits to veterans, particularly where they relate to the treatment of their accepted disabilities such as chronic skin and respiratory conditions.

In some cases, different items are listed on the RPBS to reflect the difference in age profile and medical conditions of veterans, compared to the general community eg enteric-coated aspirin products for the prophylaxis of thromboembolic (blood clotting) disorders. Use of PBS-listed aspirin preparations (non enteric coated) may predispose some veterans to medical conditions whose treatment may be expensive but could have been effectively and inexpensively prevented by use of the enteric coated preparations.

In other instances, the items listed on the RPBS reflect historical, but effective, treatment patterns of veterans (eg laxatives) and an appreciation that if these items were to be removed, demand would continue through prior approval arrangements. Requests for medications used for the treatment of gold card holders, are based on clinical need.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 57

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

What is the reason for the calcium channel blockers – Amlodipine Besylate – now being 180% higher in cost than they were three years ago (\$497,294.03 in 1998-1999 and \$894,978.96 in 2000-01)? What is this medication prescribed for?

Answer:

The reason for the increase is because of increasing clinical acceptance of the use of calcium channel blockers in the treatment of cardiovascular disease.

For example, the use of calcium channel blockers has increased from 437,325 prescriptions in calendar 1996 at a cost of \$10,072,952.43 to 669,621 prescriptions and a cost of \$14,329,765.25 in 2001.

Amlodipine besylate is a newer calcium channel blocker preferred by prescribing doctors.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 58

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

Can you offer a reason why the Dressing – Hydrocolloid (superficial wound light – exudate) has increased in the 3 years from \$155,632.84 to \$242,886.80? Are veterans receiving more injuries?

Answer:

Owing to changes in wound management, hydrocolloid dressings have become the treatment of choice for light exudate wounds. As their use leads to improved outcomes, they are preferred over older less expensive, alternative dressings.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 59

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

Is the Department concerned about the level of morphine (dextropropoxyphene napsylate) use (\$309,008.77 in 2000-01)? How does the Department monitor use of this drug.

Answer:

Dextropropoxyphene napsylate is not morphine and is not classified as a drug of addiction, although it is a prescription-only drug for the treatment of mild to moderate pain.

The figure of \$309,008.77 is the cost of the medication for 1999-2000.

The cost for 2000-2001 was \$286,137.25 which indicates a decrease in usage over the preceding year.

All high-usage, high-cost and drugs of dependence are monitored by the Repatriation Pharmaceutical Reference Committee and departmental staff.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 60

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

Does the Department have any concerns at the 10-fold increase in the prescription of Zopiclone from around \$10,000 three years ago to \$107,000 last year? What is this medication prescribed for within RPBS conditions?

Answer:

Zopiclone was added to the RPBS schedule on 1 November 1998.

Zopiclone tablet 7.5mg is prescribed as a restricted benefit for the short-term treatment of insomnia.

The cost of Zopiclone in 1998-1999 was \$10,163.79.

In 1999-2000 it's cost was \$64,828.48 and in 2000-2001 it was \$107,834.01.

This medication has a better efficacy and safety profile to the medications it replaced, such as the medium to long acting benzodiazepines, which cause or contribute to adverse effects in the elderly (eg falls).

The Department prefers that this safer medication replaces medications with known problems or side effects.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 61

Senator Mark Bishop asked:

Answer to Question on Notice # 3 BUDGET ESTIMATES 02–03

There is an increase from \$13,000 to \$2.5 million dollars in items on the RPBS for which no description of the item was available:

	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>
Dispensings	328	8,638	89,288
Cost	\$13,562.96	\$306,570.80	\$2,514,321.24

What have these funds been spent on? Why is no description available? What is the reason for the substantial increase?

Answer:

The information obtained to answer the original question was accessed from the Department's ad hoc information database.

In 1998-1999 the printout from the database identified three items where the items were grouped as 'Description for the items not available'. The cost of these three items was \$13,562.96.

Similarly in 1999-2000 and in 2000-2001, thirteen items costing \$306,570.80 and thirty-four items costing \$2,514,321.24 respectively, were identified.

The attachments indicate the items which further research has identified.

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DESCRIPTION FOR ITEM NOT AVAILABLE FOR 1998-1999					
ITEM CODE	GENERIC NAME	FORM/STRENGTH	BRAND	DISPENSINGS	COST
4010C	AMOROLFINE HYDROCHLORIDE	Nail treatment kit containing nail lacquer 50 mg (base) per mL (5%), 5 mL, 60 isopropyl alcohol cleaning pads, 10 spatulas and 30 nail files	LOCERYL	17	\$1,690.78
4011D	TERBINAFINE HYDROCHLORIDE	TABLETS 250MG (Base)	LAMICIL	4	\$510.92
4897R	DRESSING HYDROCOLLOIDAL (SUPERFICIAL WOUND - MODERATE EXUDATE)	DRESSING 10CM X 10CM, 5	RESTORE PLUS 9956 and DuoDERM CGF H7660	307	\$11,361.26
TOTAL OF DESCRIPTION FOR ITEM NOT AVAILABLE FOR 1998-1999				328	\$13,562.96

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DESCRIPTION FOR ITEM NOT AVAILABLE FOR 1999 - 2000					
ITEM CODE	GENERIC NAME	FORM AND STRENGTH	BRAND(S)	DISPENSINGS	COST
4283K	IPATROPIUM BROMIDE WITH SALBUTAMOL SULFATE	Oral pressurised inhalation 20 micrograms (anhydrous)-100 micrograms (base) per dose (200 doses)	COMBIVENT	196	\$7,545.28
4464Y	TAMSULOSIN HYDROCHLORIDE	Capsule 400 micrograms (modified release)	FLOMAX	41	\$2,026.06
4524D	CELECOXIB	CAPSULES 100MG	CELEBREX	1,287	\$47,455.66
4525E	CELECOXIB	CAPSULES 200MG	CELEBREX	6,948	\$244,752.21
4656C	BANDAGE - COMPRESSION	BANDAGE HIGH STRETCH 7.5CM X 3.5 M	SETOPRESS 3504	13	\$556.72
4742N	DRESSING -- ACTIVATED CHARCOAL (MALODOROUS WOUND)	Dressings 10 cm x 10 cm, 10	CarboFLEX 403202	2	\$140.38
4897R	DRESSING HYDROCOLLOIDAL (SUPERFICIAL WOUND - MODERATE EXUDATE)	DRESSING 10CM X 10CM, 5	RESTORE PLUS 9956 and DuoDERM CGF H7660	1	\$37.79
4966J	NIZATIDINE	Capsule 150 mg, 30	TAZAC	13	\$285.87
4967K	NIZATIDINE	Capsule 150 mg, 60	TAZAC	78	\$1,738.32
4969M	NIZATIDINE	Capsule 300 mg, 60	TAZAC	44	\$1,601.16
4970N	ENALAPRIL	WAFER TABLET 5MG	RENITEC WAFER	2	\$50.44
4971P	ENALAPRIL	WAFER TABLET 10MG	RENITEC WAFER	6	\$147.26

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4972Q	ENALAPRIL	WAFER TABLET 20MG	RENITEC WAFER	7	\$233.65
	TOTAL OF DESCRIPTION FOR ITEM NOT AVAILABLE FOR 1999 - 2000			8,638	\$306,570.80

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DESCRIPTION FOR ITEM NOT AVAILABLE FOR 2000-2001					
ITEM CODE	GENERIC NAME	FORM/STRENGTH	BRAND(S)	DISPENSINGS	COST
4079Q	BUDESONIDE	NASAL SPRAY 100MCG	RHINOCORT AND BUDAMAX	22,658	\$388,411.35
4086C	BECLOMETHASONE DIPROPOINATE	Aqueous nasal spray (pump pack) 50 micrograms per dose (200 doses)	BECONASE AQ	3,162	\$36,631.63
4087D	BECLOMETHASONE DIPROPOINATE	Aqueous nasal spray 50 micrograms per dose, 400 doses set containing 1 pump pack (200 doses) and 1 refill (200 doses)	ALDECIN AQUEOUS SET	2,853	\$55,914.27
4088E	BECLOMETHASONE DIPROPOINATE	Aqueous nasal spray 50 micrograms per dose, 400 doses set containing 2 pump packs each providing 200 doses	BECONASE AQ SET	6,409	\$125,853.52
4089F	IPATROPIUM BROMIDE	Aqueous nasal spray (pump pack) 21 micrograms (anhydrous) per dose (180 doses)	ATROVENT NASAL AQUEOUS	6,228	\$97,400.57
4090G	IPATROPIUM BROMIDE	Aqueous nasal spray (pump pack) 42 micrograms (anhydrous) per dose (180 doses)	ATROVENT NASAL FORTE	2,534	\$53,089.58
4107E	OTHER EMOLLIENTS AND PROTECTANTS	Lotion 500 mL	ALPHA KERI LOTION	40	\$489.50
4283K	IPATROPIUM BROMIDE WITH SALBUTAMOL SULFATE	Oral pressurised inhalation 20 micrograms (anhydrous)-100 micrograms (base) per dose (200 doses)	COMBIVENT	7,082	\$293,120.52
4464Y	TAMSULOSIN HYDROCHLORIDE	Capsule 400 micrograms (modified release)	FLOMAX	2,111	\$106,078.39
4524D	CELECOXIB	CAPSULES 100MG	CELEBREX	4,638	\$173,200.13
4525E	CELECOXIB	CAPSULES 200MG	CELEBREX	28,705	\$1,026,971.99

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4685N	DRESSING - ALGINATE (CAVERTY WOUND)	Ropes 2 g (30 cm), 5	Restore CalciCare 9940	1	\$76.70
4691X	DRESSING - ALGINATE SUPERFICIAL WOUND)	Dressings 15 cm x 20 cm, 10	Algisite M 66000521	13	\$2,077.29
4699H	DRESSING - ALGINATE SUPERFICIAL WOUND)	Dressings 5 cm x 5 cm, 10	Algisite M 66000519	48	\$1,505.54
4700J	DRESSING - ALGINATE SUPERFICIAL WOUND)	Dressings 10 cm x 10 cm, 10	Restore CalciCare 9937	85	\$5,491.68
4742N	DRESSING -- ACTIVATED CHARCOAL (MALODOROUS WOUND)	Dressings 10 cm x 10 cm, 10	CarboFLEX 403202	62	\$4,932.59
4743P	DRESSING ACTIVATED CHARCOAL (MALODOROUS WOUND)	Dressings 15 cm x 20 cm, 5	CarboFLEX 403204	17	\$2,338.92
4760M	BANDAGE - ZINC PASTE	Bandages 80 cm (stockings), 4	ZipZoc 66051550	77	\$4,893.34
4795J	DRESSING - FOAM - MODERATE EXUDATE	Dressings 10 cm x 10 cm, 10	Lyof foam Extra 603088 AND ALLEVYN 66007637	687	\$70,070.78
4842W	DRESSING HYDROCOLLOIDAL (SUPERFICIAL WOUND - MODERATE EXUDATE)	Dressings, sacral, 5	Restore Plus Sacral 9959 AND Replicare Ultra 66000437	13	\$1,470.44
4853K	DRESSING HYDROCOLLOIDAL (SUPERFICIAL WOUND - MODERATE EXUDATE)	Dressings 15 cm x 20 cm, 3	Restore Plus 9957	2	\$251.18
4908H	DRESSING HYDROCOLLOIDAL (SUPERFICIAL WOUND - LIGHT EXUDATE)	Dressings 10 cm x 10 cm, 5	Restore Extra Thin 9921	4	\$170.40

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4926G	DRESSING - HYDROGEL - AMORPHOUS	Tubes 20 g, 10	SoloSite Gel 36100614	158	\$6,849.85
4931M	DRESSING WITH CARDEXOMER IODINE	Sachets 3 g, 7	Iodosorb Powder 66051070	61	\$3,502.34
4932N	DRESSING WITH CARDEXOMER IODINE	Tubes 10 g, 4	Iodosorb Ointment 66051240	75	\$4,995.27
4933P	DRESSING WITH CARDEXOMER IODINE	Tubes 20 g, 2	Iodosorb Ointment 66051230	33	\$2,178.79
4934Q	DRESSING WITH CARDEXOMER IODINE	Tube 40 g	Iodosorb Ointment 66051250	43	\$3,198.97
4935R	DRESSING WITH CARDEXOMER IODINE	Sachets 5 g (6 cm x 4 cm), 5	Iodosorb 66051330	30	\$1,942.21
4936T	DRESSING WITH CARDEXOMER IODINE	Sachets 10 g (8 cm x 6 cm), 3	Iodosorb 66051340	12	\$1,146.22
4937W	DRESSING WITH CARDEXOMER IODINE	Sachets 17 g (10 cm x 8 cm), 2	Iodosorb 66051360	24	\$2,367.52
4966J	NIZATIDINE	Capsule 150 mg, 30	TAZAC	30	\$729.45
4967K	NIZATIDINE	Capsule 150 mg, 60	TAZAC	1,026	\$23,523.35
4968L	NIZATIDINE	Capsule 300 mg, 30	TAZAC	8	\$304.10
4969M	NIZATIDINE	Capsule 300 mg, 60	TAZAC	359	\$13,142.86
	TOTAL OF DESCRIPTION FOR ITEM NOT AVAILABLE FOR 2000-2001			89,288	\$2,514,321.24

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 62

Senator Mark Bishop asked:

Answer to Question on Notice # 4 BUDGET ESTIMATES

I notice in your answer to Question 4, that the some products have been removed from the RPBS by Review.

- (a) Who performs these reviews?**
- (b) Do reviews of what is listed on the RPBS occur on a regular basis?**
- (c) Please describe the process of review, and the criteria for removal or retention.**
- (d) Is cost a factor?**
- (e) What does “Therapeutic Group Premium” mean in the column of reasons in your answer to this question?**

Answer:

- a. The Repatriation Pharmaceutical Reference Committee (RPRC) performs the reviews.
- b. The review of items listed on the Repatriation Pharmaceutical Benefits Scheme occurs on a cyclical basis by therapeutic groups, over a three yearly period.
- c. A member(s) of the RPRC, or a specialist consultant where the RPRC does not have the specialist expertise on the committee, is tasked to carry out a full review of all therapeutic equivalent items both scheduled and non-scheduled but approved for marketing in Australia.

The efficacy, safety, cost-effectiveness, clinical trial reports and more aspects of each item are considered.

- d. Cost is a factor if other factors are equivalent with those of comparable products. Part of the RPRC consideration in reviewing products is 'value for money'.
- e. Please refer to the Schedule of Pharmaceutical Benefits 1 May 2002 (p36 and p325) for special patient contributions, brand premiums and therapeutic group premiums.

Some medications have dual listing on both PBS and RPBS. The PBS listing of a particular medication may have a code which indicates that a TGP will be added to the copayment.

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Under the PBS, a prescriber may either avoid the TGP by prescribing a base-priced drug or seek authority to prescribe the original drug if certain parameters for exemption of the TGP are met.

If the HIC grants an authority, a dispensing pharmacy uses a different code (and claims under a different code) to dispense the drug from the code it would use if the TGP was to apply.

If the patient is a veteran, a prescriber may seek TGP exemption from the VAPAC (Veterans' Affairs Pharmaceutical Approvals Centre). If approved, the dispensing pharmacy will dispense the drug using a code found in the Repatriation Schedule of Pharmaceutical Benefits.

In situations where a drug no longer attracts a TGP (ie the PBS has removed the TGP and the drug is the same cost as equivalent base-priced drugs), the separate codes which had applied under the PBS and RPBS are no longer required and are deleted.

This was the situation which applied with the items mentioned with the annotation 'Therapeutic Group Premium'.

If the drugs are still scheduled they will be available to veterans at the standard copayment. If they are non-scheduled but still available on the Australian market, a prescriber may seek the drug under prior approval arrangements and the veteran will pay the standard copayment.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 63

Senator Mark Bishop asked:

Answer to Question on Notice # 5 BUDGET ESTIMATES

In relation to your response to QoN #5:

Of the requests that were “not approved” what pharmaceuticals did those 16,345 requests relate to? (The 25 most frequently requested pharmaceuticals will suffice).

What were the major reasons for the non-approval of requests last year?

Answer:

The most frequently rejected requests – the top 25.

Top 25	Drug name	Number of requests not approved
1	Losec	2139
2	Viagra 100mg	1760
3	Iscover/Plavix	804
4	Rocaltrol	425
5	Viagra 50mg	404
6	Fosamax 10mg	397
7	Zoton	352
8	Somac	259
9	Panadeine Forte	211
10	Evista	183
11	Renitec/Amprace	128
12	Celebrex 200mg	126
13	Hypnodorm 2mg	119
14	Aricept 5mg	119
15	Didrocal	118
16	Zoladex 10.8mg	114
17	Maxor	111
18	Norvasc 5mg	105
19	Digesic	103
20	Rhinocort	101
21	Zyprexa 5mg	101

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Top 25 (cont)	Drug name	Number of requests not approved
22	Zyban	94
23	Aricept 10mg	91
24	Zyprexa 2.5mg	87
25	Norvasc 10mg	81

Major Reasons for Non approval of requests during the year 2000/2001.

As discussed previously, 16,345 requests were not approved during the financial year. These non-approvals fell into 6 major categories. Please see below the categories, an explanation of each, plus the percentage breakdowns of each one.

Category	Explanation	Percentage of total non-approvals
Requests that are too early	These requests are not approved because they are not needed at the time. The records of previous approvals indicate that the patient has adequate supplies to last into the future. The prescriber is requested to review the supplies the patient has on hand and to reconsider the request at a later time.	56.1%
Viagra requests for Gold Card holders	The drug Viagra is available to veterans with erectile dysfunction where that condition is being caused by one of their accepted disabilities. Many requests are received for Gold card holder veterans who don't meet this eligibility criterion.	8.9%
White card holders with no eligibility for the drug	A number of requests are received for holders of the white Repatriation Health Card for Specific Conditions where they have no eligibility to receive those drugs under the RPBS provisions	9.4%
Veterans with no eligibility for treatment under the RPBS	These are requests for drugs for veterans and/or their dependents where the patient is not in receipt of a Gold or White DVA treatment card	7.5%

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Category	Explanation	Percentage of total non-approvals
No "authority" approval is required	These are requests from prescribers that don't require prior approval. Usually processing the requests involves an education component about the range of drug available on the RPBS and access to those drugs for their patient.	8.9%
Not approved on clinical grounds	These are not approved because the prescriber is wanting a drug for which there is a listed alternative not requiring prior approval, or the drug has not been proven to be effective for the indication being treated.	9.1%

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 64

Senator Mark Bishop asked:

Answer to Question on Notice # 6 BUDGET ESTIMATES

Can you please provide the Committee with details of the uses of the medications listed in answer to QoN number 6 for which the cost for 2000-01 exceeded \$3000?

Answer:

Attachment A lists all items whose cost in 2000-2001 exceeded \$3000. A brief description for the use of medications/items is included.

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NON SCHEDULE ITEMS APPROVED THROUGH VAPAC FROM 1 JULY 2000 TO 30 JUNE 2001				
ITEM CODE	NON-LISTED ITEM DESCRIPTION	DISPENSINGS	TOTAL COST	Use of Medication
97057G	SINGULAIR 10MG TABLETS	5,817	\$453,881.81	Asthma
95756T	EPREX (ERYTHROPOIETIN)	299	\$214,962.48	Anaemia(transfusion/renal failure)
95569Y	EPREX (ERYTHROPOIETIN)	91	\$201,289.52	Anaemia(transfusion/renal failure)
96270W	AREDIA INJ 90MG + SOLV 10ML 1 VIAL	359	\$177,082.11	Tumor induced hypercalcaemia
97159P	SERC TABS 16MG	6,594	\$173,351.25	Meniere's syndrome
91439N	ENSURE PLUS	647	\$170,409.16	Low residue balanced nutrition
95392P	NEUPOGEN INJECTION (FILGRASTIM)	100	\$165,281.37	Non-myeloid malignancy
97402K	CELEBREX CAPSULES 200MG	4,263	\$153,340.71	Arthritis
95575G	SUSTAGEN HOSPITAL FORMULA	1,899	\$86,324.61	Nutritional support
94175N	TRENTAL TABLETS 400MG	1,226	\$69,607.56	Chronic occlusive artery disease
95004F	JEVITY	161	\$67,789.94	Tube feeding
94852F	ATIVAN TABLET	1,138	\$48,814.83	Anxiolytic
95642T	VOLTAREN EMULGEL	2,329	\$48,470.79	Topical analgesic
96348Y	RESOURCE PLUS	297	\$47,725.65	Supplemental nutrition
97837H	NEUPOGEN INJECTION 300 MCG	27	\$45,766.96	Non-myeloid malignancy
97862P	EPREX 4000 U PRE-FILLED SYRINGE	59	\$44,573.36	Anaemia(transfusion/renal failure)
96978D	OXALIPLATIN_100MG VIALS	27	\$43,102.15	Colorectal cancer
97779G	SANDOSTATIN LAR 30MG VIAL & 2 AMPOULES D	18	\$42,555.01	Intestinal tumor
97619W	SANDOSTATIN 20 MG_LAR INJ & DILUENT	21	\$42,406.67	Intestinal tumor
97334W	ALDARA SACHETS 5% 250MG	289	\$39,916.42	Perianal/genital warts
96044Y	NEUPOGEN INJECTION (FILGRASTIM) 480MCG I	13	\$39,874.13	Non-myeloid malignancy

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95832T	FLUDARABINE INFUSION 50MG	26	\$39,681.45	Lymphocytic leukemia
95003E	JEVITY	76	\$38,696.22	Tube feeding
96958C	MABTHERA 500MG VIAL	9	\$36,810.70	Non-Hodgkin's lymphoma
95244W	SANDOSTATIN INJ 1ML	40	\$36,351.65	Intestinal tumor
97512F	POLYMEM DRESSINGS_(CODE 5044)	255	\$35,888.47	Wound management
97151F	TRAMAL	1,062	\$35,371.08	Pain relief
97676W	XENICAL_CAPSULES	259	\$34,298.11	Refractory obesity
96232W	RESOURCE FRUIT BEVERAGE	265	\$31,878.05	Nutritional support
95757W	FILGRASTIM INJECTION	18	\$31,798.34	Non-myeloid malignancy
94811C	SANDOSTATIN INJ 0.1MG/ML	27	\$30,604.22	Intestinal tumor
97751T	AVANDIA 4MG TABS	239	\$29,042.61	Diabetes
95517F	MAXEPA CAPS. 1000MG	1,109	\$28,914.73	Hyperlipidaemia
97616Q	AGRYLIN TABLETS 0.5MG 100	33	\$28,237.99	Antineoplastic agent
97038G	MEROPENEM INJECTION 500MG	43	\$27,906.72	Serious infection
96624L	EPREX (ERYTHROPOIETIN)	48	\$27,705.90	Anaemia(transfusion/renal failure)
97401J	CELEBREX CAPS 100MG	676	\$25,585.19	Arthritis
92569C	MODIFAST PDR (ALL FLAVOURS)	284	\$24,986.32	Nutritional support
92291K	LEUCOVORIN VIAL	202	\$24,784.56	Megoblastic anaemia
94799K	GLUCERNA	25	\$23,919.94	Enteral nutrition
95747H	EPREX (ERYTHROPOIETIN)	34	\$22,055.94	Anaemia(transfusion/renal failure)
96394J	RESOURCE DIABETIC	87	\$21,553.62	Diabetic enteral nutrition
95308F	ENSURE PLUS HN	34	\$19,591.16	Low residue balanced nutrition
95063H	OSMOLITE LIQUID	66	\$19,452.36	Nutritional support
96161D	FLUDARA 50 MG AMPS	11	\$19,394.90	Megoblastic anaemia

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95638N	CIPROXIN AMPS IV 200MG PER 100ML	59	\$19,034.73	Specific antibiotic
95801E	ERYTHROPOIETIN__4000UNITS	33	\$18,979.03	Anaemia(transfusion/renal failure)
96760P	IRINOTECAN 100 MG	8	\$18,870.78	Colorectal cancer
97665G	VIOXX 12.5MG TABLETS	251	\$18,489.51	Osteoarthritis
96686R	RESOURCE THICKENED BEVERAGE	103	\$18,403.06	High Protein nutrition
97407Q	CELEBREX 200MG	489	\$17,691.62	Arthritis
96820T	ERYTHROPOIETIN_INJECTION 4000 UNITS IN 0	18	\$17,430.36	Anaemia(transfusion/renal failure)
97339D	URSOFALK 250MGM	92	\$17,182.56	Cholestatic liver disease
94851E	ATIVAN TABLET	681	\$16,726.58	Anxiolytic
96997D	PAROVEN CAP 250MG	708	\$16,502.29	Lymphodema
91225H	DIPROSONE OV OINT	394	\$16,456.01	Anti-inflammatory
96957B	MABTHERA 100MG VIAL	10	\$16,336.10	Non-Hodgkin's lymphoma
96738L	TAZOCIN 4.5G IV	41	\$16,242.53	Specific antibiotic
95398Y	IMIGRAN INJECTION REFILL	44	\$15,950.76	Migraine
96902D	CIPROFLOXACIN IV INJECTION	36	\$15,728.63	Specific antibiotic
96791G	ELEMENTAL 028 EXTRA TETRA-PAK	10	\$15,661.88	Nutritional support
97647H	NOVASOURCE 2.0	32	\$15,527.28	High Protein nutrition
97786P	AVANDIA 8MG TABS	93	\$15,515.21	Diabetes
96011F	IMIPENEM AMPS 500MGM	28	\$15,118.26	Specific antibiotic
95995J	DELIVER 2.0 237ML	22	\$15,026.27	Enteral nutrition
94626H	DIPROSONE OV CR	264	\$14,757.09	Anti-inflammatory
96571Q	COZAAR TABS (LOSARTAN 50MG)	292	\$14,717.79	Hypertension
95668E	FORTISIP/NUTRIDRINK 200ML	50	\$14,673.16	Nutritional support
94999Y	ENSURE LIQUID	77	\$14,500.15	Nutritional support

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95637M	DAIVONEX OINT 100G	123	\$13,883.60	Psoriasis
97826R	TWO CAL HN 237 ML	30	\$13,750.15	Nutritional support
93393K	PULMOCARE LIQ	59	\$13,514.25	High fat nutritional support
96973W	OCTREOTIDE INJECTION 100MCG/ML-0.1MG/ML	18	\$13,251.24	Intestinal tumor
97276T	JEVITY PLUS 1 LITRE BAG	15	\$13,094.46	Nutritional support
96620G	PAMIDRONATE INJ 90MG/10 ML	23	\$12,912.59	Osteolytic metastases
95839E	SUSTAGEN LIQUID TETRA(PACK)	110	\$12,328.37	Nutritional support
94969J	IMIGRAN TAB	242	\$11,992.72	Migraine
94994Q	OSMOLITE LIQUID	40	\$11,892.21	Balanced nutrition
96066D	ENSURE POWDER 1KG.	169	\$11,867.24	Nutritional support
98003C	FOSAMAX 70MG	218	\$11,609.37	Osteoporosis
97748P	VIOXX	162	\$11,505.55	Osteoarthritis
95907R	FELDENE GEL_50G_TUBE	525	\$11,382.30	Topical anti-inflammatory
95361B	NEPRO 237ML	45	\$10,363.99	Liquid nutrition
96190P	TARGOCID 400MG AMP	6	\$10,041.18	Specific antibiotic
95729J	DINDEVAN TAB	194	\$9,980.16	Thrombolytic
95156F	ISOCAL LIQUID	28	\$9,842.94	Nutritional support
96827E	PROPOFOL 10MG/ML 20ML AMPS	21	\$9,771.00	Short acting IV Anaesthetic
93825E	SODIUM CHLORIDE SOL	101	\$9,487.39	For IV use
95777X	SANDOSTATIN INJ (OCTREOTIDE)	9	\$9,461.62	Intestinal tumor
94571K	XYLOCAINE JELLY WITH HIBITANE	55	\$9,407.23	Local anaesthetic with anti-infective
96471K	DOBUTAMINE HCL INJECTION	33	\$9,210.27	Cardiac failure
97065Q	SYNTHAMIN 17 WITH ELECT	16	\$9,049.47	IV Infusion
95335P	AMIODARONE 150MG/3ML	74	\$9,003.60	Antiarrhythmic agent

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97867X	EPREX 10 000 UNITS	6	\$8,993.13	Anaemia(transfusion/renal failure)
96350C	LOSEC INTRAVENOUS 40MG	131	\$8,894.46	Reflux/ulcers GI
96801T	CAMPTOSAR IV 100MG VIAL	5	\$8,725.05	colorectal cancer
97398F	OXALIPLATIN 50MG	10	\$8,617.54	Colorectal cancer
96603J	MERREM 1 GM	9	\$8,498.60	Serious infection
97102P	EPREX (ERYTHROPOETIN) 2 000U	13	\$8,490.64	Anaemia(transfusion/renal failure)
95812R	CEFTAZIDIME INJECTION 1G VIAL	27	\$8,490.09	Specific antibiotic
95748J	GRANOCYTE (LENOGRASTIM)	7	\$8,199.33	Cancer therapy
96884E	ISOSOURCE REGULAR	16	\$8,146.51	High Protein nutrition
95584R	BOTOX BOTULINUM TOXIN 100UNITS	14	\$8,129.78	Neuromuscular agent
96132N	DIPROSONE CR 0.05% 50G	177	\$8,102.02	Topical anti-inflammatory
96639G	ISOSOURCE 1.5	26	\$8,069.76	High Protein nutrition
97554K	REBETRON COMBINATION THERAPY	4	\$8,021.31	Chronic hepatitis
94717D	BISOLVON TAB_8MG	322	\$7,843.49	Expectorant
94033D	SYNTHAMIN WITHOUT ELECTROLYTES	15	\$7,822.53	Nutritional support
97264E	IODOSORB OINTMENT 20G. TUBE	52	\$7,790.64	Ulcer ointment
93319M	PRIMAXIN 500MG INJECTION	14	\$7,709.13	Serious infection
97917M	EPREX 1000 INJ 1 000U 0.5ML PRE-FILLED	5	\$7,568.78	Anaemia(transfusion/renal failure)
97101N	MEROPENEM INJ 1G	9	\$7,492.21	Serious infection
96843B	FLUDARA 50MG VIAL	5	\$7,423.74	Lymphocytic leukaemia
96210Q	ZOSTRIX HP CREAM 0.075% 55G.	213	\$7,423.23	Herpes
95523M	FILGRASTIM INJECTION	3	\$7,311.18	Non-myeloid malignancies
97027Q	VANCOMYCIN 1G SOLV.REQUIRED	18	\$7,202.70	Serious infection
95181M	ULTRACAL LIQ	22	\$7,100.75	Nutritional support

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96098T	LENOGRASTIM VIAL (263 MCG)	5	\$6,650.02	Adjunct to chemotherapy
96688W	MITOMYCIN-C I.V. 20MG - SINGLE VIAL	27	\$6,405.03	Carcinoma
96662L	PHENYTOIN INJECTION 100MG/2ML	42	\$6,383.43	Epilepsy
96888J	RESOURCE THICKEN-UP POWDER	121	\$6,338.96	Nutritional support
96395K	METHYLPREDNISOLENE SODIUM SUCCINATE	30	\$6,306.79	Dermatoses
95026J	ALLEVYN DRESSINGS 10CM X 10CM	46	\$6,267.11	Wound dressing
97763K	RESOURCE THICKENED BEVERAGE	42	\$6,089.15	Nutritional support
94959W	IMIGRAN AUTO INJ KIT	19	\$6,012.56	Migraine
97368P	CYCLOSPORIN CAPSULES 100MG_50CAPSULES	13	\$5,883.01	Cancer therapy
97457H	SURMONTIL CAPS 50MG	268	\$5,806.02	Antidepressant
97295T	MONTELUKAST SODIUM 10MG TABS	76	\$5,798.81	Asthma
92075C	INTRALIPID 20 PER CENT 500ML	16	\$5,761.84	Parenteral nutrition
95573E	OSMOLITE HN	22	\$5,712.61	Balanced nutrition
96229Q	MESALAZINE ENEMA 40MG/ML 100ML	12	\$5,696.44	Bowel disease
97536L	ACICLOVIR I.V.INFUSION	5	\$5,688.58	Antiviral
93158C	PERSANTIN TABLETS	187	\$5,399.82	Antiplatelet agent
97908C	INTRON A REDIPEN	2	\$5,300.29	Leukaemia
96439R	NUTRISON STANDARD	5	\$5,176.93	Low Sodium tube feeding
96314E	SUSTAGEN HOSPITAL PLUS	28	\$5,100.27	Nutritional support
92190D	KETALAR AMP	16	\$5,082.44	IV Anaesthetic
93534W	RITALIN TAB (S8)	106	\$5,025.79	Narcolepsy
95660R	CYCLOSPORIN CAPSULE 50MG	26	\$4,957.63	Immunomodifier
96002R	PULMOZYME AMPS 2.5MG IN 2.5MLS 30	4	\$4,882.52	Cystic Fibrosis
95861H	NUTRISON ENERGY PLUS 500ML BOTTLE	19	\$4,870.08	Nutritional support

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96409E	ALLEVYN ADHESIVE 12.5X12.5CM	13	\$4,739.06	Wound dressing
97575M	NASONEX SPRAY 50MCG	150	\$4,733.80	Rhinitis
96851K	ADVANTAN CR 30G	107	\$4,706.75	Psoriasis
91654X	FORTUM VIAL 2G	10	\$4,697.45	Serious infection
95632G	CEFTAZIDIME INJ 2 G	9	\$4,678.43	Serious infection
97937N	ALLEVYN HEEL DRESSING 10.5 X 13.5 CM PAC	18	\$4,672.71	Wound dressing
96133P	DIPROSONE OINT 0.05% 50G	140	\$4,662.87	Dermatoses
96700L	ORDINE 20 MGM/ML 200ML	24	\$4,634.15	Severe pain
94094H	TESTOSTERONE IMPLANT 200MG 1	23	\$4,614.75	Hormonal therapy
96755J	MARCAIN INFUSION 0.125% 200ML	26	\$4,575.30	Local anaesthetic
97337B	COMTAN 200MG TAB	19	\$4,397.80	Parkinson's Disease
92074B	INTRALIPID 10 PER CENT 500ML	9	\$4,386.34	Parenteral nutrition
98087L	INTERFERON GAMMA 1B_2MIU	2	\$4,378.32	Immunomodifier
96813K	ACICLOVIR I.V.INFUSION	3	\$4,373.73	Viral anti-infective
91112J	DESFERAL INJ (SOLV NEEDED)	7	\$4,346.13	Iron Overload
94603D	ZANTAC AMP 50MG 2ML	190	\$4,343.76	Gut ulceration
95616K	ELMIRON CAPS 100MG	41	\$4,338.62	Cystitis
97236Q	NALTREXONE TABS 50 MG (30)	28	\$4,337.79	Chronic alcoholism
97406P	CELEBREX 100MG	118	\$4,291.59	Arthritis
97671N	UROKINASE 500 000UNITS	3	\$4,249.45	Blood clots
94034E	SYNTHAMIN INJECTION WITH ELECTROLYTES	6	\$4,243.75	IV Nutrition
96920C	MYAMBUTOL_400MG TABLETS	38	\$4,214.91	Tuberculosis
95514C	AQUEOUS CREAM	238	\$4,201.01	Dermatoses
97714W	SUSTAGEN H/F WITH FIBRE	99	\$4,174.91	Nutritional support

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95506P	CARBONET 10CM X10CM PACK OF TEN	3	\$4,086.00	Wound dressing
92749M	NIZORAL CR 2% 30G	134	\$4,073.00	Anti-fungal
97919P	LENOGRASTIM 263MCG	3	\$4,030.32	Adjunct to chemotherapy
97404M	EXUDRY DRESSINGS 22.5X37.5	15	\$4,010.68	Wound dressing
97342G	MOVICOL SACHETS 13G X 20	138	\$3,943.48	Faecal impaction
97203Y	ACCOLATE TABS 20MG	39	\$3,905.25	Asthma
95243T	DACARBAZINE 200MG VIAL	21	\$3,860.07	Carcinoma
96366X	CALCIUM FOLINATE 50MG INJECTION	16	\$3,778.26	Megoblastic anaemia
97868Y	EPREX 10000UNITS	3	\$3,750.78	Anaemia(transfusion/renal failure)
97720E	MERREM 500MG IV VIAL	7	\$3,689.68	Anti-infective
95665B	LORAZEPAM TABLETS	74	\$3,683.47	Anxiolytic
95208Y	SUSTACAL PUDDING 142G.	29	\$3,680.37	Nutritional support
97046Q	TELFAS TABLET 180MG	91	\$3,655.04	Anti histamine
90917D	COMPLAN 500G SINGLE PACK	85	\$3,640.23	Nutritional support
95552C	NEUTRAL PILOCARPINE EYE DROPS	163	\$3,617.22	Ophthalmic use
96171P	ZOSTRIX CREAM 0.025%	147	\$3,551.27	Anti-viral use
95786J	CLINDAMYCIN AMP 150MG/ML 4ML	8	\$3,527.62	Serious infection
95127Q	MULTI B FORTE TABS	209	\$3,438.35	Vitamin supplement
96897W	URSODEOXYCHOLIC ACID 250 MGM	17	\$3,405.31	Liver disease
96547K	DERMAVEEN LOTION 500ML	185	\$3,372.07	Psoriasis
97675T	POLYMEM DRESSING 17CMX19CM	9	\$3,351.63	Wound dressing
95065K	SORBILAX LIQUID 500ML	185	\$3,344.00	Chronic constipation
92564T	MITOMYCIN-C VIAL 10MG	12	\$3,328.59	Carcinoma
94671Q	PRIMAQUINE PHOSPHATE TAB 7.5MG	2	\$3,303.64	Malaria

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95464K	PREDNISOLONE MINIMS	34	\$3,267.53	Anti-inflammatory
90446H	BASIC DRESSING PACK (TRAY)	109	\$3,258.06	Wound dressing
92767L	NORMISON CAP	231	\$3,237.43	Anxiolytic
96749C	ERYTHROPOIETIN INJ 1000U	1	\$3,236.54	Anaemia(transfusion/renal failure)
95758X	VOLTAREN EMULGEL	259	\$3,232.11	Topical analgesic
96300K	CLARITHROMYCIN TAB 500MG	14	\$3,206.27	Specific antibiotic
94172K	TRAVAD ENEMA 130ML	82	\$3,158.54	Bowel evacuant
96691B	ENSURE PLUS HN	7	\$3,114.10	Nutritional support
96621H	NORADRENALIN ACID TARTRATE 1:1000 2 ML.	36	\$3,074.14	Acute hypotensive agent
96834M	OSTELIN 1 000 I.U.CAPS	278	\$3,026.77	Vitamin D deficiency
97304G	INTRON A REDIPEN_PK SIZE_1	2	\$3,018.29	Leukaemia

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 65

Senator Mark Bishop asked:

An article in The Age on the 2nd April 2002, reported figures showing that private hospitals went on ambulance bypass more often than public hospitals in 2001. According to the Victorian Health Minister, public hospitals are coping with an 8 per cent rise in emergency hospitals while private hospitals have been closing their emergency wards and cherry-picking patients.

- (a) Does the Department have any figures of how many veterans were affected last year by hospitals going on ambulance bypass?**
- (b) Could the Department provide figures detailing Tier 1 hospital emergency department bypasses for 2000 and 2001 – the number of times each hospital has been on bypass and the amount of time they have been on bypass in total? Is the Department aware of any Tier 1 private hospitals that have closed or are planning to close emergency wards?**
- (c) Is the Department aware of any Tier 1 private hospitals that have closed or are planning to close emergency wards?**
- (d) Has the Department received any evidence of cherry picking by private hospitals**

Answer:

- (a) The Department does not routinely collect data on veterans affected by hospitals going on ambulance bypass.**
- (b) The Department does not collect data on the number of times Tier 1 hospital emergency departments are on bypass, nor is the Department normally notified of such occurrences.**
- (c) There have been some closures of Tier 1 private hospital Accident & Emergency Units:**
 - The Mater Misericordiae, Townsville closed its Accident & Emergency Unit in December 2000.**
 - John Faulkner Private Hospital, Melbourne (Mayne) closed its Accident & Emergency Unit in April 2001. Note: St Frances Xavier Cabrini Hospital opened an Accident & Emergency Unit in April 2002, albeit in another part of Melbourne.**

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- No Tier 1 private hospitals in NSW have closed their Accident & Emergency Units, however one metropolitan Tier 2 hospital, Sydney Private Hospital closed its Accident & Emergency Unit on sale to its new owners in 2001.
- (d) There is no direct evidence, that the Department is aware of, to substantiate claims of cherry-picking.

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 66

Senator Mark Bishop asked:

With reference to previous answers provided on the use of contracted staff could an update of those figures be provided please?

On 12 March 2002, Question 9 (pages 289-290), Senator Mark Bishop asked:

In relation to the 155 contractors engaged by the Commission about which Senate Estimates enquired on 30 May 2000 (Question 8):

- (a) How many of those does DVA pay tax and workers' compensation for?**
- (b) How many are engaged under section 181(5) of the Act, and how many under the Public Service Act?**
- (c) Who has the delegation to engage such contractors, and what endorsement of the Commission is required, if any?**
- (d) How many of the 155 are paid for out of program funds, and how many are paid from running costs?**
- (e) Please update the table attached to Question 8, 30 May 2000.**
- (f) How many of these contractors work in DVA beside permanent staff?**
- (g) What is their average lengths of service?**
- (h) What is the range and years of service of these persons?**

Answer:

On 26 April 2002, the Department provided an interim answer as further data was needed to provide a complete response. The following answer reflects the collection of the new data and also addresses Additional Estimates Question 66, 4-5 June 2002.

The 155 contractors reported in the response to the 30 May 2000 Senate Estimates question is linked to an earlier series of Senate Estimates questions commencing in June 1999.

In 1999, the questions related to the closure of the Repatriation General Hospitals and the subsequent use of contractors to provide some of these services. In June 1999, the reported number of contractors was 165 which were primarily health professionals paid from program costs. Previously, the approach taken in answering this question has been to focus on contractors hired as individuals in their own right, although at the time, no account was taken of staff working with the Office of Australian War Graves.

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In compiling an answer to the March 2002 question, a contractor has been taken to mean any person who directly or through a private company or hiring agency is engaged to provide services for the Department. This answer does not include details of companies who have been contracted to provide services (as distinct from individuals) under an outsourcing arrangement (such as the Department's IT function) nor contracted services such as the Local Medical Officer Scheme whereby the Department has contracts with individual general practitioners to provide services to entitled Veterans and their dependants.

(a) DVA does not pay tax or workers' compensation in respect to contractors.

(b) DVA does not employ contractors under the *Public Service Act 1999*.

(c) There is a combination of delegations to engage contractors under the *Financial Management & Accountability Act 1997* (FM&A Act) and s.181 of the *Veterans' Entitlements Act 1986* (VEA). Under the FM&A Act, there are four levels of delegation depending on the value of the contract:

- Branch Head and Above – Available funds
- Director - \$250,000
- Assistant Director – \$50,000
- DVA Band 2 - \$10,000

Under the VEA, the delegation vests in a number of Commission delegates at varying levels depending on the management structure and overall size of National Office or the particular State Office.

(d) At 31 March 2002, DVA engaged 449 contractors of which:

- 280 contractors were paid from program costs; and
- 169 contractors were paid from running costs.

Of the 280 contractors paid from program costs, some 128 are health professionals hired on a sessional basis and 111 are contractors working for the Office of Australian War Graves. The balance are involved in a range of activities such as pharmacy approvals and community advisor work.

(e) The attached table updates the number of contractors engaged by DVA.

(f) 326 contractors work on DVA premises.

(g) The average length of contract for all contractors engaged by DVA is approximately 2 years 2 months.

(h) The length of contracts ranges from 1 month to 7 years, 10 months.

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Outcome	Qualification				Contract length						Paid from:		
	IT	Health Prof.	Other	Total	<12 Months		Annual		>12 Months		Work on DVA premises ?	Program Costs	Running Costs
1	20	31	33	84	1	25	1	18		39	83	25	59
2	40	95	49	184	2	28		49		105	173	133	51
3 (Office of Australian War Graves)			114	114	7	1		4	6	96	7	111	3
3 (Commemorations)	1		1	2		1				1	1		2
4	33		11	44	1	10		8		25	41	9	35
5	2	2		4			1	1		2	4	2	2
6			17	17	4	10		1		2	17		17
Total	96	128	225	449	15	75	2	81	6	270	326	280	169
Note 1: Health Professional includes doctors, dentists, nurses, physiotherapists, podiatrists, etc													
Note 2: Snapshot information as at 31 March 2002													

Senate Foreign Affairs, Defence and Trade Legislation Committee
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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 67

Senator Mark Bishop asked:

For each of the last 10 years,

- (a) what sum has been paid to Clauden Pty Ltd for consultancy advice to the Health program?**
- (b) On how many occasions has Clauden Pty Ltd been subject to a select tender process?**
- (c) What other consultancy service contracts have been let which involve the principals of Clauden Pty Ltd,**
- (d) What was the value of each contract, and**
- (e) On how many occasions was a select tender process used?**

Answer:

See attached.

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NON SCHEDULE ITEMS APPROVED THROUGH VAPAC FROM 1 JULY 2000 TO 30 JUNE 2001				
ITEM CODE	NON-LISTED ITEM DESCRIPTION	DISPENSINGS	TOTAL COST	Use of Medication
97057G	SINGULAIR 10MG TABLETS	5,817	\$453,881.81	Asthma
95756T	EPREX (ERYTHROPOIETIN)	299	\$214,962.48	Anaemia(transfusion/renal failure)
95569Y	EPREX (ERYTHROPOIETIN)	91	\$201,289.52	Anaemia(transfusion/renal failure)
96270W	AREDIA INJ 90MG + SOLV 10ML 1 VIAL	359	\$177,082.11	Tumor induced hypercalcaemia
97159P	SERC TABS 16MG	6,594	\$173,351.25	Meniere's syndrome
91439N	ENSURE PLUS	647	\$170,409.16	Low residue balanced nutrition
95392P	NEUPOGEN INJECTION (FILGRASTIM)	100	\$165,281.37	Non-myeloid malignancy
97402K	CELEBREX CAPSULES 200MG	4,263	\$153,340.71	Arthritis
95575G	SUSTAGEN HOSPITAL FORMULA	1,899	\$86,324.61	Nutritional support
94175N	TRENTAL TABLETS 400MG	1,226	\$69,607.56	Chronic occlusive artery disease
95004F	JEVITY	161	\$67,789.94	Tube feeding
94852F	ATIVAN TABLET	1,138	\$48,814.83	Anxiolytic
95642T	VOLTAREN EMULGEL	2,329	\$48,470.79	Topical analgesic
96348Y	RESOURCE PLUS	297	\$47,725.65	Supplemental nutrition
97837H	NEUPOGEN INJECTION 300 MCG	27	\$45,766.96	Non-myeloid malignancy
97862P	EPREX 4000 U PRE-FILLED SYRINGE	59	\$44,573.36	Anaemia(transfusion/renal failure)
96978D	OXALIPLATIN_100MG VIALS	27	\$43,102.15	Colorectal cancer
97779G	SANDOSTATIN LAR 30MG VIAL & 2 AMPOULES D	18	\$42,555.01	Intestinal tumor
97619W	SANDOSTATIN 20 MG_LAR INJ & DILUENT	21	\$42,406.67	Intestinal tumor
97334W	ALDARA SACHETS 5% 250MG	289	\$39,916.42	Perianal/genital warts
96044Y	NEUPOGEN INJECTION (FILGRASTIM) 480MCG I	13	\$39,874.13	Non-myeloid malignancy

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95832T	FLUDARABINE INFUSION 50MG	26	\$39,681.45	Lymphocytic leukemia
95003E	JEVITY	76	\$38,696.22	Tube feeding
96958C	MABTHERA 500MG VIAL	9	\$36,810.70	Non-Hodgkin's lymphoma
95244W	SANDOSTATIN INJ 1ML	40	\$36,351.65	Intestinal tumor
97512F	POLYMEM DRESSINGS_(CODE 5044)	255	\$35,888.47	Wound management
97151F	TRAMAL	1,062	\$35,371.08	Pain relief
97676W	XENICAL_CAPSULES	259	\$34,298.11	Refractory obesity
96232W	RESOURCE FRUIT BEVERAGE	265	\$31,878.05	Nutritional support
95757W	FILGRASTIM INJECTION	18	\$31,798.34	Non-myeloid malignancy
94811C	SANDOSTATIN INJ 0.1MG/ML	27	\$30,604.22	Intestinal tumor
97751T	AVANDIA 4MG TABS	239	\$29,042.61	Diabetes
95517F	MAXEPA CAPS. 1000MG	1,109	\$28,914.73	Hyperlipidaemia
97616Q	AGRYLIN TABLETS 0.5MG 100	33	\$28,237.99	Antineoplastic agent
97038G	MEROPENEM INJECTION 500MG	43	\$27,906.72	Serious infection
96624L	EPREX (ERYTHROPOIETIN)	48	\$27,705.90	Anaemia(transfusion/renal failure)
97401J	CELEBREX CAPS 100MG	676	\$25,585.19	Arthritis
92569C	MODIFAST PDR (ALL FLAVOURS)	284	\$24,986.32	Nutritional support
92291K	LEUCOVORIN VIAL	202	\$24,784.56	Megoblastic anaemia
94799K	GLUCERNA	25	\$23,919.94	Enteral nutrition
95747H	EPREX (ERYTHROPOIETIN)	34	\$22,055.94	Anaemia(transfusion/renal failure)
96394J	RESOURCE DIABETIC	87	\$21,553.62	Diabetic enteral nutrition
95308F	ENSURE PLUS HN	34	\$19,591.16	Low residue balanced nutrition
95063H	OSMOLITE LIQUID	66	\$19,452.36	Nutritional support
96161D	FLUDARA 50 MG AMPS	11	\$19,394.90	Megoblastic anaemia

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95638N	CIPROXIN AMPS IV 200MG PER 100ML	59	\$19,034.73	Specific antibiotic
95801E	ERYTHROPOIETIN__4000UNITS	33	\$18,979.03	Anaemia(transfusion/renal failure)
96760P	IRINOTECAN 100 MG	8	\$18,870.78	Colorectal cancer
97665G	VIOXX 12.5MG TABLETS	251	\$18,489.51	Osteoarthritis
96686R	RESOURCE THICKENED BEVERAGE	103	\$18,403.06	High Protein nutrition
97407Q	CELEBREX 200MG	489	\$17,691.62	Arthritis
96820T	ERYTHROPOIETIN_INJECTION 4000 UNITS IN 0	18	\$17,430.36	Anaemia(transfusion/renal failure)
97339D	URSOFALK 250MGM	92	\$17,182.56	Cholestatic liver disease
94851E	ATIVAN TABLET	681	\$16,726.58	Anxiolytic
96997D	PAROVEN CAP 250MG	708	\$16,502.29	Lymphodema
91225H	DIPROSONE OV OINT	394	\$16,456.01	Anti-inflammatory
96957B	MABTHERA 100MG VIAL	10	\$16,336.10	Non-Hodgkin's lymphoma
96738L	TAZOCIN 4.5G IV	41	\$16,242.53	Specific antibiotic
95398Y	IMIGRAN INJECTION REFILL	44	\$15,950.76	Migraine
96902D	CIPROFLOXACIN IV INJECTION	36	\$15,728.63	Specific antibiotic
96791G	ELEMENTAL 028 EXTRA TETRA-PAK	10	\$15,661.88	Nutritional support
97647H	NOVASOURCE 2.0	32	\$15,527.28	High Protein nutrition
97786P	AVANDIA 8MG TABS	93	\$15,515.21	Diabetes
96011F	IMIPENEM AMPS 500MGM	28	\$15,118.26	Specific antibiotic
95995J	DELIVER 2.0 237ML	22	\$15,026.27	Enteral nutrition
94626H	DIPROSONE OV CR	264	\$14,757.09	Anti-inflammatory
96571Q	COZAAR TABS (LOSARTAN 50MG)	292	\$14,717.79	Hypertension
95668E	FORTISIP/NUTRIDRINK 200ML	50	\$14,673.16	Nutritional support
94999Y	ENSURE LIQUID	77	\$14,500.15	Nutritional support

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95637M	DAIVONEX OINT 100G	123	\$13,883.60	Psoriasis
97826R	TWO CAL HN 237 ML	30	\$13,750.15	Nutritional support
93393K	PULMOCARE LIQ	59	\$13,514.25	High fat nutritional support
96973W	OCTREOTIDE INJECTION 100MCG/ML-0.1MG/ML	18	\$13,251.24	Intestinal tumor
97276T	JEVITY PLUS 1 LITRE BAG	15	\$13,094.46	Nutritional support
96620G	PAMIDRONATE INJ 90MG/10 ML	23	\$12,912.59	Osteolytic metastases
95839E	SUSTAGEN LIQUID TETRA(PACK)	110	\$12,328.37	Nutritional support
94969J	IMIGRAN TAB	242	\$11,992.72	Migraine
94994Q	OSMOLITE LIQUID	40	\$11,892.21	Balanced nutrition
96066D	ENSURE POWDER 1KG.	169	\$11,867.24	Nutritional support
98003C	FOSAMAX 70MG	218	\$11,609.37	Osteoporosis
97748P	VIOXX	162	\$11,505.55	Osteoarthritis
95907R	FELDENE GEL_50G_TUBE	525	\$11,382.30	Topical anti-inflammatory
95361B	NEPRO 237ML	45	\$10,363.99	Liquid nutrition
96190P	TARGOCID 400MG AMP	6	\$10,041.18	Specific antibiotic
95729J	DINDEVAN TAB	194	\$9,980.16	Thrombolytic
95156F	ISOCAL LIQUID	28	\$9,842.94	Nutritional support
96827E	PROPOFOL 10MG/ML 20ML AMPS	21	\$9,771.00	Short acting IV Anaesthetic
93825E	SODIUM CHLORIDE SOL	101	\$9,487.39	For IV use
95777X	SANDOSTATIN INJ (OCTREOTIDE)	9	\$9,461.62	Intestinal tumor
94571K	XYLOCAINE JELLY WITH HIBITANE	55	\$9,407.23	Local anaesthetic with anti-infective
96471K	DOBUTAMINE HCL INJECTION	33	\$9,210.27	Cardiac failure
97065Q	SYNTHAMIN 17 WITH ELECT	16	\$9,049.47	IV Infusion
95335P	AMIODARONE 150MG/3ML	74	\$9,003.60	Antiarrhythmic agent

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97867X	EPREX 10 000 UNITS	6	\$8,993.13	Anaemia(transfusion/renal failure)
96350C	LOSEC INTRAVENOUS 40MG	131	\$8,894.46	Reflux/ulcers GI
96801T	CAMPTOSAR IV 100MG VIAL	5	\$8,725.05	colorectal cancer
97398F	OXALIPLATIN 50MG	10	\$8,617.54	Colorectal cancer
96603J	MERREM 1 GM	9	\$8,498.60	Serious infection
97102P	EPREX (ERYTHROPOETIN) 2 000U	13	\$8,490.64	Anaemia(transfusion/renal failure)
95812R	CEFTAZIDIME INJECTION 1G VIAL	27	\$8,490.09	Specific antibiotic
95748J	GRANOCYTE (LENOGRASTIM)	7	\$8,199.33	Cancer therapy
96884E	ISOSOURCE REGULAR	16	\$8,146.51	High Protein nutrition
95584R	BOTOX BOTULINUM TOXIN 100UNITS	14	\$8,129.78	Neuromuscular agent
96132N	DIPROSONE CR 0.05% 50G	177	\$8,102.02	Topical anti-inflammatory
96639G	ISOSOURCE 1.5	26	\$8,069.76	High Protein nutrition
97554K	REBETRON COMBINATION THERAPY	4	\$8,021.31	Chronic hepatitis
94717D	BISOLVON TAB_8MG	322	\$7,843.49	Expectorant
94033D	SYNTHAMIN WITHOUT ELECTROLYTES	15	\$7,822.53	Nutritional support
97264E	IODOSORB OINTMENT 20G. TUBE	52	\$7,790.64	Ulcer ointment
93319M	PRIMAXIN 500MG INJECTION	14	\$7,709.13	Serious infection
97917M	EPREX 1000 INJ 1 000U 0.5ML PRE-FILLED	5	\$7,568.78	Anaemia(transfusion/renal failure)
97101N	MEROPENUM INJ 1G	9	\$7,492.21	Serious infection
96843B	FLUDARA 50MG VIAL	5	\$7,423.74	Lymphocytic leukaemia
96210Q	ZOSTRIX HP CREAM 0.075% 55G.	213	\$7,423.23	Herpes
95523M	FILGRASTIM INJECTION	3	\$7,311.18	Non-myeloid malignancies
97027Q	VANCOMYCIN 1G SOLV.REQUIRED	18	\$7,202.70	Serious infection
95181M	ULTRACAL LIQ	22	\$7,100.75	Nutritional support

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96098T	LENOGRASTIM VIAL (263 MCG)	5	\$6,650.02	Adjunct to chemotherapy
96688W	MITOMYCIN-C I.V. 20MG - SINGLE VIAL	27	\$6,405.03	Carcinoma
96662L	PHENYTOIN INJECTION 100MG/2ML	42	\$6,383.43	Epilepsy
96888J	RESOURCE THICKEN-UP POWDER	121	\$6,338.96	Nutritional support
96395K	METHYLPREDNISOLENE SODIUM SUCCINATE	30	\$6,306.79	Dermatoses
95026J	ALLEVYN DRESSINGS 10CM X 10CM	46	\$6,267.11	Wound dressing
97763K	RESOURCE THICKENED BEVERAGE	42	\$6,089.15	Nutritional support
94959W	IMIGRAN AUTO INJ KIT	19	\$6,012.56	Migraine
97368P	CYCLOSPORIN CAPSULES 100MG_50CAPSULES	13	\$5,883.01	Cancer therapy
97457H	SURMONTIL CAPS 50MG	268	\$5,806.02	Antidepressant
97295T	MONTELUKAST SODIUM 10MG TABS	76	\$5,798.81	Asthma
92075C	INTRALIPID 20 PER CENT 500ML	16	\$5,761.84	Parenteral nutrition
95573E	OSMOLITE HN	22	\$5,712.61	Balanced nutrition
96229Q	MESALAZINE ENEMA 40MG/ML 100ML	12	\$5,696.44	Bowel disease
97536L	ACICLOVIR I.V.INFUSION	5	\$5,688.58	Antiviral
93158C	PERSANTIN TABLETS	187	\$5,399.82	Antiplatelet agent
97908C	INTRON A REDIPEN	2	\$5,300.29	Leukaemia
96439R	NUTRISON STANDARD	5	\$5,176.93	Low Sodium tube feeding
96314E	SUSTAGEN HOSPITAL PLUS	28	\$5,100.27	Nutritional support
92190D	KETALAR AMP	16	\$5,082.44	IV Anaesthetic
93534W	RITALIN TAB (S8)	106	\$5,025.79	Narcolepsy
95660R	CYCLOSPORIN CAPSULE 50MG	26	\$4,957.63	Immunomodifier
96002R	PULMOZYME AMPS 2.5MG IN 2.5MLS 30	4	\$4,882.52	Cystic Fibrosis
95861H	NUTRISON ENERGY PLUS 500ML BOTTLE	19	\$4,870.08	Nutritional support

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96409E	ALLEVYN ADHESIVE 12.5X12.5CM	13	\$4,739.06	Wound dressing
97575M	NASONEX SPRAY 50MCG	150	\$4,733.80	Rhinitis
96851K	ADVANTAN CR 30G	107	\$4,706.75	Psoriasis
91654X	FORTUM VIAL 2G	10	\$4,697.45	Serious infection
95632G	CEFTAZIDIME INJ 2 G	9	\$4,678.43	Serious infection
97937N	ALLEVYN HEEL DRESSING 10.5 X 13.5 CM PAC	18	\$4,672.71	Wound dressing
96133P	DIPROSONE OINT 0.05% 50G	140	\$4,662.87	Dermatoses
96700L	ORDINE 20 MGM/ML 200ML	24	\$4,634.15	Severe pain
94094H	TESTOSTERONE IMPLANT 200MG 1	23	\$4,614.75	Hormonal therapy
96755J	MARCAIN INFUSION 0.125% 200ML	26	\$4,575.30	Local anaesthetic
97337B	COMTAN 200MG TAB	19	\$4,397.80	Parkinson's Disease
92074B	INTRALIPID 10 PER CENT 500ML	9	\$4,386.34	Parenteral nutrition
98087L	INTERFERON GAMMA 1B_2MIU	2	\$4,378.32	Immunomodifier
96813K	ACICLOVIR I.V.INFUSION	3	\$4,373.73	Viral anti-infective
91112J	DESFERAL INJ (SOLV NEEDED)	7	\$4,346.13	Iron Overload
94603D	ZANTAC AMP 50MG 2ML	190	\$4,343.76	Gut ulceration
95616K	ELMIRON CAPS 100MG	41	\$4,338.62	Cystitis
97236Q	NALTREXONE TABS 50 MG (30)	28	\$4,337.79	Chronic alcoholism
97406P	CELEBREX 100MG	118	\$4,291.59	Arthritis
97671N	UROKINASE 500 000UNITS	3	\$4,249.45	Blood clots
94034E	SYNTHAMIN INJECTION WITH ELECTROLYTES	6	\$4,243.75	IV Nutrition
96920C	MYAMBUTOL_400MG TABLETS	38	\$4,214.91	Tuberculosis
95514C	AQUEOUS CREAM	238	\$4,201.01	Dermatoses
97714W	SUSTAGEN H/F WITH FIBRE	99	\$4,174.91	Nutritional support

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95506P	CARBONET 10CM X10CM PACK OF TEN	3	\$4,086.00	Wound dressing
92749M	NIZORAL CR 2% 30G	134	\$4,073.00	Anti-fungal
97919P	LENOGRASTIM 263MCG	3	\$4,030.32	Adjunct to chemotherapy
97404M	EXUDRY DRESSINGS 22.5X37.5	15	\$4,010.68	Wound dressing
97342G	MOVICOL SACHETS 13G X 20	138	\$3,943.48	Faecal impaction
97203Y	ACCOLATE TABS 20MG	39	\$3,905.25	Asthma
95243T	DACARBAZINE 200MG VIAL	21	\$3,860.07	Carcinoma
96366X	CALCIUM FOLINATE 50MG INJECTION	16	\$3,778.26	Megoblastic anaemia
97868Y	EPREX 10000UNITS	3	\$3,750.78	Anaemia(transfusion/renal failure)
97720E	MERREM 500MG IV VIAL	7	\$3,689.68	Anti-infective
95665B	LORAZEPAM TABLETS	74	\$3,683.47	Anxiolytic
95208Y	SUSTACAL PUDDING 142G.	29	\$3,680.37	Nutritional support
97046Q	TELFAS TABLET 180MG	91	\$3,655.04	Anti histamine
90917D	COMPLAN 500G SINGLE PACK	85	\$3,640.23	Nutritional support
95552C	NEUTRAL PILOCARPINE EYE DROPS	163	\$3,617.22	Ophthalmic use
96171P	ZOSTRIX CREAM 0.025%	147	\$3,551.27	Anti-viral use
95786J	CLINDAMYCIN AMP 150MG/ML 4ML	8	\$3,527.62	Serious infection
95127Q	MULTI B FORTE TABS	209	\$3,438.35	Vitamin supplement
96897W	URSODEOXYCHOLIC ACID 250 MGM	17	\$3,405.31	Liver disease
96547K	DERMAVEEN LOTION 500ML	185	\$3,372.07	Psoriasis
97675T	POLYMEM DRESSING 17CMX19CM	9	\$3,351.63	Wound dressing
95065K	SORBILAX LIQUID 500ML	185	\$3,344.00	Chronic constipation
92564T	MITOMYCIN-C VIAL 10MG	12	\$3,328.59	Carcinoma
94671Q	PRIMAQUINE PHOSPHATE TAB 7.5MG	2	\$3,303.64	Malaria

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95464K	PREDNISOLONE MINIMS	34	\$3,267.53	Anti-inflammatory
90446H	BASIC DRESSING PACK (TRAY)	109	\$3,258.06	Wound dressing
92767L	NORMISON CAP	231	\$3,237.43	Anxiolytic
96749C	ERYTHROPOIETIN INJ 1000U	1	\$3,236.54	Anaemia(transfusion/renal failure)
95758X	VOLTAREN EMULGEL	259	\$3,232.11	Topical analgesic
96300K	CLARITHROMYCIN TAB 500MG	14	\$3,206.27	Specific antibiotic
94172K	TRAVAD ENEMA 130ML	82	\$3,158.54	Bowel evacuant
96691B	ENSURE PLUS HN	7	\$3,114.10	Nutritional support
96621H	NORADRENALIN ACID TARTRATE 1:1000 2 ML.	36	\$3,074.14	Acute hypotensive agent
96834M	OSTELIN 1 000 I.U.CAPS	278	\$3,026.77	Vitamin D deficiency
97304G	INTRON A REDIPEN_PK SIZE_1	2	\$3,018.29	Leukaemia

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Outcome 2 (Health)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 68

Senator Mark Bishop asked:

Agent Orange

- (a) Is the Department aware of the decision in the United States Court of Appeals for the Ninth Circuit case *Nehmer v Veterans' Administration of the Government of the United States* regarding Agent Orange exposure and prostate cancer and adult-onset diabetes?**
- (b) That decision related to retroactivity of disability benefits for veterans affected by Agent Orange. Does this decision have any implications for Australian veterans?**
- (c) Having had a read of some of the RMA's statements of principle (SoPs), my understanding is that the RMA has accepted exposure to Agent Orange during the Vietnam War as related to prostate cancer and adult-onset diabetes in veterans. Is that the case?**
- (d) Could you please provide an up to date brief on this matter with respect to Australian veterans?**

Answer:

- a) Yes
- b) No.
- c) Yes.
- d) Under the *Australian Veterans Entitlements' Act 1986* compensation as a result of herbicide exposure in Vietnam is available for:
 - Lung Cancer
 - laryngeal cancer
 - prostate cancer
 - soft tissue sarcoma
 - Non-Hodgkin's lymphoma
 - Hodgkin's disease
 - diabetes mellitus
 - leukaemia (all forms)
 - porphyria cutanea tarda

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Outcome 3 (Commemorations)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 33

Senator Mark Bishop asked:

Hansard page 337.

- 1. Who funded former Minister Bruce Scott's trip to France for a number of ceremonies and functions in Belgium and France around Anzac Day ? Can you confirm that it was the Department of Finance and tell me the cost involved ?**
- 2. Was he given Ministerial status for the visit ?**

Answer:

1. The cost of former Minister Scott's visit to France and Belgium for Anzac Day 2002 commemorations will be met by the Department of Finance and Administration and are not aware of the costs.
2. The Prime Minister requested that former Minister Scott represent the Australian Government, as a representative of the Minister for Veterans' Affairs, the Hon Danna Vale MP, at the Anzac Day 2002 commemorations in France and Belgium. As such, he was accorded the privileges and courtesies normally extended to a Minister of the Government while travelling on official business.

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Outcome 3 (Commemorations)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 34

Senator Mark Bishop asked:

Hansard page 339. Can you take on notice and provide written a comment as to the truth or otherwise of these allegations:

- 1. That the Kokoda Memorial Hospital has been without a doctor for most of the past 10 years;**
- 2. That no-one is qualified to operate the hospital's X-ray machine;**
- 3. That the new wing, completed almost twelve months ago, has never been used; and**
- 4. That there is no fuel to run the generator hence there is no power ?**

Answer:

The Kokoda Memorial Hospital was first opened in September 1995. Rotary volunteers, with Australian Government funding, provided through the Office of Australian War Graves, constructed the Kokoda Memorial Hospital as part of a joint Government project.

Day to day operations and administration of the Hospital, including staffing, maintenance, and equipment have been the responsibility of the Papua New Guinea (PNG) Government authorities, the Health Division of Oro Province.

The Department understands from the Australian High Commission in PNG that some difficulties have been experienced in relation to the operation of the Hospital. That information, received from contacts at the Popondetta Hospital is that doctors have attended periodically, with a permanent doctor on hand for about two years, 1998-2000, and then January to June 2001. No doctor is currently based at the Hospital. Although provision is made in the Oro Provincial Administration budget for a doctor at the Hospital, the Health Division has been unable to employ a doctor for the Hospital. We also understand that the new hospital wing is not currently being utilised.

The Health Division of Oro Province is responsible for determining the use of Kokoda Hospital amenities, including the X-ray machine donated by Rotary. Fuel to operate the hospital's generators is also their responsibility. Solar power is used for night lighting, refrigeration and operation of the water pump.

Any further explanation of difficulties would need to be sought from the responsible authorities in PNG.

(d)

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Answers to Questions on Notice
Department of Veterans' Affairs
Budget Estimates 2002 – 2003; June 2002

Outcome 4 (Service Delivery)

These questions were taken on notice at the Senate Hearing - 5 June 2002

Question 35

Senator Mark Bishop asked:

Hansard page 340. I refer to the announced opening of the new DVA office in Tweed Heads. What is the estimated cost of opening this office and maintaining it for a year ?

Answer:

The estimated cost of establishing the new DVA office at Tweed Heads is \$185,353. This figure includes office fit-out, IT costs and office equipment. It does not include any salary or recurrent rental costs.

The estimated cost of maintaining the office is \$352,484 per year. This comprises recurrent salary, rental, administrative and IT costs. It is expected that the opening of the Tweed Heads office will reduce current demands on the Southport VAN office resulting in savings of \$81,417 per year.

All of the costs are exclusive of GST.

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Outcome 4 (Service Delivery)

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Question 36

Senator Mark Bishop asked:

Hansard page 344. Please take on notice to advise us whether each row identified in the “IBM-GSA Expenditure and Projections” document tabled was budget funded or whether it was the subject of a separate, different or later appropriation, and the source of that. If it was from internal funds, you might advise us of that as well.

Answer:

The sources of funding for the items in the “IBM-GSA Expenditure and Projections” document are set out below. “Normal departmental expense allocations” means the annual appropriation for the price of departmental outputs, while “budget funded” means special funding for new policy or one off initiatives such as Y2K.

Increased Usage

Category	Element	Source of Funding
Increased Usage [\$25.483m]	Number of Desktop PCs	<ul style="list-style-type: none"> ➤ Increases in the number of desktop units due to budget initiatives and Y2K were specifically Budget funded ➤ Increases due to non-budget initiatives are funded from normal departmental expense allocations
	CPU minutes & DASD	<ul style="list-style-type: none"> ➤ Increased usage due to Y2K was specifically budget funded; increased usage due to budget initiatives are specifically Budget funded from 2000-01 onward ➤ Increases due to non-budget initiatives are funded from normal departmental expense allocations
	Upgrades	<ul style="list-style-type: none"> ➤ Increases are funded from normal departmental expense allocations
	Tape mounts	<ul style="list-style-type: none"> ➤ Increases are funded from normal departmental expense allocations
	Price movement for the above	<ul style="list-style-type: none"> ➤ COLA (cost of living adjustments) are supplemented through the indexation arrangements applied to normal departmental expense allocations ➤ Should actual price movements be in excess of indexation funding, funding is from normal departmental expense allocations

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IT Projects

Category	Element	Source of Funding
IT Projects [\$34.593m] ¹	Y2K [\$6.503m]	➤ Specifically Budget funded
	DMIS [\$2.943m]	➤ Specifically Budget funded from 2000-01 onwards ➤ Funded from normal departmental expense allocations prior to 2000-01
	HOCAS [\$2.154m]	➤ Specifically Budget funded for Veterans' Home Care
	Remote Office Servers [\$1.457m]	➤ Funded from normal departmental expense allocations
	DOLARS & PAHRIS [\$1.291m]	➤ Funded from normal departmental expense allocations
	Other Projects [\$20.245m]	➤ Since 1999-2000 DVA's normal departmental expense allocations have included funding for depreciation expenses (approximately \$9m per annum) which provides for DVA to internally fund projects which maintain the value of the government's investment in DVA assets.

Extension of the Contract

This component represents the estimated cost of payments to IBMGSA under both increase usage and projects that will be incurred as a result of extending the contract from April 2002 to November 2002. The sources of funding for this extension are the same as those provided against the above categories.

Category	Element	Source of Funding
Extension of Contract [\$15.221] ²	Increased Usage	➤ As set out above
	IT Projects	➤ As set out above

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¹ Includes \$5.8m for IT Project costs that relate to the contract extension period.

² Excludes \$5.8m classified as IT project expenditure.

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Senator Mark Bishop asked:

Hansard page 338. I might get you to take on notice the suggestion by the Regular Defence Force Welfare Association that there is a legislative prohibition for having the names of Australians who served in British units in World War I and II inscribed on the roll of honour at the Australian War Memorial. You might confirm that this is the reason their names were not inscribed. If that is incorrect, could I ask you to advise why their names would not be inscribed ?

Answer:

Eligibility is determined by the Council of the Australian War Memorial, based on the *Australian War Memorial Act 1980*. The Act states that the Memorial is 'a national memorial of Australians who died on or as a result of active service; or as a result of any war or warlike operations in which Australians have been on active service'. In determining eligibility for the First and Second World Wars, the Council is guided by the Department of Defence definitions of warlike service.

To be included on the Roll of Honour, a person must have been a member of the Australian Defence Force (ADF) at the time of death, died on warlike service or as a result of warlike service, and within the prescribed time period. Members of the ADF who died while attached to allied units are eligible for inclusion.

Recognising that many Australians chose to join British and other allied forces directly, the Memorial established a Commemorative Roll in the 1980s. This records the names of those Australians who died as members of allied forces, the Merchant Navy, philanthropic organisations, war correspondents, photographers and artists, and munitions and other workers. The Commemorative Roll therefore includes, for example, Australian members of British units who died during the First and Second World Wars. It should be noted, however, that because available data is fragmentary and incomplete, the roll can never be a definitive record.

The Commemorative Roll takes the form of a book, displayed in a sealed showcase, in the Commemorative Area of the Memorial, alongside the Roll of Honour. Staff are available to open the book to the appropriate page for interested visitors. A data-base of names of those included on the Commemorative Roll is, like the Roll of Honour, available on the Memorial's website.

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Question 39

Outcome 4 (Service Delivery)

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Senator Mark Bishop asked:

Re: QoN 13 From AE 22/2/02- Government Actuary Review of DVA Health Expenditure Projection Models

DVA uses the term 'drift' to refer to increases in average cost per service over and above some expected inflationary increase due to prices and wages.

- (a) Is DVA concerned at the level of "drift" in health care costs?**
- (b) Has DVA's analysis led to any conclusions about the reasons for or factors contributing to drift?**
- (c) Has the DVA explored general health cost inflation data from Australia or from overseas as recommended at para 5.3 of the review?**
- (d) What has that analysis revealed?**
- (e) Is the drift in DVA's expenditure on health costs consistent with cost inflation in other health systems?**
- (f) Has the Department taken any steps to use data on the composition of the treatment population to attempt to model the factors affecting usage rates? [Recommended at para 6.6 of the review]**
- (g) If so, what has the outcome of this modelling been?**

Answer:

- (a)** DVA monitors its expenditure against the estimates and investigates any anomalous expenditures. Levels of drift experienced have been consistent with expectations.
- (b)** Ageing population and improved technology appear to be the dominant factors effecting drift in DVA expenditures.
- (c & d)** DVA has retained the Australian Institute of Health and Welfare (AIHW) to investigate recent trends in veteran service utilisation. This work is in progress
- (e)** The trend to higher costs is consistent across countries with similarly ageing populations.
Ref: AIHW Report: "International Health: How Australia Compares" ISBN 0-642-24790-0

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(f & g) DVA has retained the Australian Government Actuary to perform this work.
This work is in progress.