



Cabinet

CAB Min (08) 14/1(25)

Minute of Decision

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2008 Budget Package: Vote Health

On 14 April 2008, and following further consideration on 21 April 2008, Cabinet:

1. **approved** the Budget initiatives for the above Vote for inclusion in the 2008 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
4696	Forecast Funding Track (FFT) and Demographics	-	495.949	495.949	495.949	495.949
4698	Autism Spectrum Disorder work programme	-	2.545	2.545	2.545	2.545
4706	Improving the Quality of Antenatal Screening for Down's Syndrome	-	0.732	5.465	8.032	9.417
4707	National Drug Policy - Mass media and education campaign on illicit drugs	-	1.275	1.275	1.275	1.275
4708	Pneumococcal vaccine in National Immunisation Schedule (NIS)	-	10.000	10.000	10.000	10.000
4710	Sexual health education and reduction of sexually transmitted infections	-	1.100	1.100	1.100	1.100
4712	AIMHI Healthy Community Schools - Nurse Component	-	0.560	1.130	1.130	1.130
4714	Health and Disability Commissioner advocacy services	-	0.275	0.550	0.550	0.550
4715	Improving patient safety using bedside verification of drugs in DHB hospitals	-	2.300	3.200	3.200	3.200
4716	Environmental Disability Support Services (ESS)	-	-	0.990	1.500	1.500
4718	Suicide Prevention and National Depression Initiative	-	2.300	2.900	3.100	3.100
4720	Interim Funding Pool for People with Chronic Health Conditions	-	6.550	10.000	10.000	10.000
4721	Sector risk management	-	18.198	16.116	27.252	0.520
4722	Financial incentives for DHBs to realise efficiencies & progress Health Targets	-	6.565	5.565	6.065	15.565

4725	Smoking cessation: new pharmaceutical and improved DHB services	-	8.000	8.000	8.000	8.000
4726	Primary Health Care Strategy Implementation	-	20.000	20.000	20.000	20.000
4728	Response to Health Select Committee Inquiry into Obesity and Type 2 Diabetes	-	13.000	13.000	13.000	13.000
4729	Youth access to health services	-	2.016	3.892	5.663	5.663
4732	Reorientation of Child and Adolescent Oral Health Services	-	14.000	15.000	20.000	30.000
4733	Migrant Health Initiative	-	2.000	2.000	2.000	2.000
4735	HPV vaccine and immunisation social marketing campaign	2.986	47.654	46.554	40.571	26.439
4737	Increase fraud detection, prevention and investigations capacity	-	1.000	1.000	-	-
4738	Investing in medicines sector infrastructure	-	2.200	2.200	2.200	2.200
4739	National Implementation of InterRAI assessment tool	-	1.509	3.000	4.000	4.000
4740	Service Planning and New Health Intervention Assessment Framework (SPNIA)	-	1.340	1.460	1.580	1.580
4741	Maori Nursing workforce development	-	3.000	3.000	3.000	3.000
4742	Pacific Health Provider and Workforce Development	-	2.600	2.600	2.600	2.600
4743	Connected Health Information System	-	10.000	10.000	10.000	10.000
4745	Workforce development	-	7.610	10.000	10.000	10.000
4746	Stabilisation of the ambulance sector	-	6.900	6.900	6.900	6.900
4748	Electives Initiative - additional volumes	-	50.000	40.000	35.000	35.000
4749	Sanitary Works Subsidy Scheme (SWSS) for Sewerage	-	15.500	12.325	7.525	3.259
4750	Healthy Housing Programme	-	15.000	15.000	-	-
4751	Treatment services for Victims of Sexual Abuse and Assault	-	-	-	-	-
4753	Contribution from Baselines for Cross-Government Initiatives	(2.000)	(2.000)			
5266	Support for Health Sector to build capability and innovate	-	7.000	7.000	7.000	7.000
5268	<i>[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]</i>					
5269	Enhancing Surveillance and Control of Anti-microbial Resistance	-	1.000	1.000	1.000	1.000
5299	Enhanced access to hearing aids for Super Gold Card holders	-	4.500	4.500	4.500	4.500
Total Operating		0.986	782.428	785.466	776.487	752.242

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12
4752	Health Capital Envelope	-	-	-	-	50.000
Total Capital		-	-	-	-	50.000

2. **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;

3. **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;
4. **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
5. **agreed** that the proposed changes to appropriations and/or projected balances of net assets for 2007/08 above be included in the 2007/08 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
6. **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2007/08 Supplementary Estimates, the 2008/09 Estimates and the fiscal forecasts;
7. **noted** that all communications relating to the 2008 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

Reference: 2008 Budget package tabled
by the Minister of Finance

Distribution:

Prime Minister
Chief Executive, DPMC
Director PAG, DPMC
Minister of Finance
Secretary to the Treasury
Hon Jim Anderton
Minister of Health
Director-General of Health
Associate Minister of Finance (Hon Trevor Mallard)
Controller and Auditor-General

Vote: Health

Title: Forecast Funding Track (FFT) and Demographics

Description: Funding to enable the sector to manage pressures from input-price inflation (forecast funding track or FFT) and demographic change

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

This allocation of funding for FFT and demographics will enable the sector to manage inflationary and demographic pressures in providing existing services. Annual allocations to health services are based on nominal amounts. These adjustments are made to maintain purchasing power and service coverage.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	495.949	495.949	495.949	495.949
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	495.949	495.949	495.949	495.949

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Clinical Training Agency	-	4.957	4.957	4.957	4.957
Health and Disability Support Services - Auckland DHB	-	37.398	37.398	37.398	37.398
Health and Disability Support Services - Bay of Plenty DHB	-	29.657	29.657	29.657	29.657
Health and Disability Support Services - Canterbury DHB	-	40.095	40.095	40.095	40.095
Health and Disability Support Services - Capital and Coast DHB	-	15.139	15.139	15.139	15.139
Health and Disability Support Services - Counties-Manukau DHB	-	49.967	49.967	49.967	49.967
Health and Disability Support Services - Hawkes Bay DHB	-	15.793	15.793	15.793	15.793
Health and Disability Support Services - Hutt DHB	-	12.970	12.970	12.970	12.970
Health and Disability Support Services - Lakes DHB	-	6.510	6.510	6.510	6.510

Initiative No: 4696

Health and Disability Support Services - MidCentral DHB	-	12.995	12.995	12.995	12.995
Health and Disability Support Services - Nelson-Marlborough DHB	-	8.425	8.425	8.425	8.425
Health and Disability Support Services - Northland DHB	-	21.986	21.986	21.986	21.986
Health and Disability Support Services - Otago DHB	-	11.338	11.338	11.338	11.338
Health and Disability Support Services - South Canterbury DHB	-	6.788	6.788	6.788	6.788
Health and Disability Support Services - Southland DHB	-	6.341	6.341	6.341	6.341
Health and Disability Support Services - Tairāwhiti DHB	-	5.298	5.298	5.298	5.298
Health and Disability Support Services - Taranaki DHB	-	9.894	9.894	9.894	9.894
Health and Disability Support Services - Waikato DHB	-	46.695	46.695	46.695	46.695
Health and Disability Support Services - Wairarapa DHB	-	3.980	3.980	3.980	3.980
Health and Disability Support Services - Waitemata DHB	-	42.951	42.951	42.951	42.951
Health and Disability Support Services - West Coast DHB	-	4.816	4.816	4.816	4.816
Health and Disability Support Services - Whanganui DHB	-	8.121	8.121	8.121	8.121
Health Services Funding	-	10.192	10.192	10.192	10.192
Management of Residual Health Liabilities and District Health Board Term Debt	-	0.077	0.077	0.077	0.077
Monitoring and Protecting Health and Disability Consumer Interests	-	0.633	0.633	0.633	0.633
National Child Health Services	-	1.700	1.700	1.700	1.700
National Contracted Services - Other	-	5.958	5.958	5.958	5.958

Initiative No: 4696

National Disability Support Services	-	38.199	38.199	38.199	38.199
National Elective Services	-	6.244	6.244	6.244	6.244
National Emergency Services	-	2.736	2.736	2.736	2.736
National Maori Health Services	-	0.426	0.426	0.426	0.426
National Maternity Services	-	4.759	4.759	4.759	4.759
National Mental Health Services	-	3.612	3.612	3.612	3.612
Public Health Service Purchasing	-	19.296	19.296	19.296	19.296
Scientific Advice to Support Pest Management Strategies as They Affect Public Health	-	0.003	0.003	0.003	0.003
Total Operating	-	495.949	495.949	495.949	495.949
Total Capital	-	-	-	-	-

Initiative No: 4698

Vote: Health**Title:** Autism Spectrum Disorder Work Programme**Description:** This initiative continues the work on the Autism Spectrum Disorder Programme initiated in Budget 2007. Budget 2007 pre-committed additional funding against Budget 2008 in order to fund the rising expenditure profile of this initiative in 2008/09 and outyears.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Expansion of existing early intervention services to reach 120 families in 4 regions;
 expansion of existing BrightSparks (family support) service to reach 300 families in 4 regions;
 expansion of existing Family whanau outreach service to reach 332 families in 4 regions;
 expansion of existing Spell services (knowledge, skills and confidence for parents, family, professionals and support workers) to reach 80 families.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.545	2.545	2.545	2.545
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.545	2.545	2.545	2.545

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.045	0.045	0.045	0.045
Non-Departmental Output Expenses: National Disability Support Services	-	2.500	2.500	2.500	2.500
Total Operating	-	2.545	2.545	2.545	2.545
Total Capital	-	-	-	-	-

Initiative No: 4706

Vote: Health**Title:** Improving the Quality of Antenatal Screening for Down's Syndrome**Description:** This initiative continues the work on improving the quality of antenatal screening for Down's syndrome initiated in Budget 2007. Budget 2007 pre-committed additional funding to fund the programme in 2008/09 and outyears for safer and more effective means of antenatal screening for Down's syndrome.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

The development and implementation of nationally coordinated quality improvement measures to ensure that antenatal screening for Down's syndrome in New Zealand aligns with international best practice. All pregnant women will have access to high quality, publicly funded screening. Second trimester maternal serum screening will be publicly funded by mid 2008, followed in 2009/10 by the introduction of first trimester serum screening and integrated risk assessment strategies.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	0.732	5.465	8.032	9.417
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.732	5.465	8.032	9.417

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.043	0.262	-	-
Non-Departmental Output Expenses:					
Public Health Service Purchasing	-	0.689	5.203	8.032	9.417
Total Operating	-	0.732	5.465	8.032	9.417
Total Capital	-	-	-	-	-

Initiative No: 4707

Vote: Health**Title:** National Drug Policy - Mass Media and Education Campaign on Illicit Drugs**Description:** This initiative continues the work on a social marketing and information campaign to provide messages for target groups about illicit drugs initiated in Budget 2007 which pre-committed additional funding in order to fund the rising expenditure profile of this initiative in 2008/09 and outyears.**Theme:** Families - Young and Old**Theme Objective:** Confidence and supply agreements**Performance Information****Performance Text**

- Stocktake of existing information resources, identification of gaps, and review of quality of messages;
- project scoping to identify appropriate media, development of targeted messages and distribution mechanisms;
- testing of messages through focus groups;
- development and delivery of media campaign;
- evaluation of outcome.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	1.275	1.275	1.275	1.275
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.275	1.275	1.275	1.275

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.025	0.025	0.025	0.025
Non-Departmental Output Expenses: Public Health Service Purchasing	-	1.250	1.250	1.250	1.250
Total Operating	-	1.275	1.275	1.275	1.275
Total Capital	-	-	-	-	-

Initiative No: 4708

Vote: Health**Title:** Pneumococcal Vaccine in National Immunisation Schedule (NIS)**Description:** This proposal continues the implementation of the pneumococcal vaccine for infants to the NIS from Budget 2007. Budget 2007 pre-committed additional funding against Budget 2008 in order to fund the rising expenditure profile of this initiative in 2008/09 and outyears.**Theme:** Families - Young and Old**Theme Objective:** Other

Performance Information

Performance Text

Funding is for three doses of pneumococcal vaccine to infants under 12 months of age and a booster at 15 months. The introduction of vaccines can be evaluated by the level of vaccine coverage from the National Immunisation Register.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	10.000	10.000	10.000	10.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	10.000	10.000	10.000	10.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Public Health Service Purchasing	-	10.000	10.000	10.000	10.000
Total Operating	-	10.000	10.000	10.000	10.000
Total Capital	-	-	-	-	-

Additional Recommendation

noted that the original costing of this initiative is based on incorrect assumptions and officials are currently re-costing this initiative to be updated in the 2008 October Baseline Update.

Initiative No: 4710

Vote: Health**Title:** Sexual Health Education and Reduction of Sexually Transmitted Infections**Description:** This initiative continues the development and introduction of the public health education and media campaign on safe sex, along with the increased testing and treatment of chlamydia in young adults and improved surveillance initiated in Budget 2007. (Pre-committed funding from Budget 2007)**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Follow-up to 2004 public health education/ media campaign on safe sex. The media campaign on safe sex is likely to be targeted at young adults age 15 to 25 years. A Sexual Health Advisory group will be established to provide advice for public health education and professional education. Development of resources and advice to public and professionals will be to encourage testing for chlamydia in specific groups at risk of a sexually transmitted infection at primary health care services.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	1.100	1.100	1.100	1.100
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.100	1.100	1.100	1.100

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Public Health Service Purchasing	-	1.100	1.100	1.100	1.100
Total Operating	-	1.100	1.100	1.100	1.100
Total Capital	-	-	-	-	-

Initiative No: 4712

Vote: Health

Title: AIMHI Healthy Community Schools - Nurse Component

Description: This incentive continues the implementation of the AIMHI initiative from Budget 2007 expanding the programme to other schools with high needs youth. Budget 2007 pre-committed funding against Budget 2008 for the rising expenditure profile of this initiative in 2008/09 and outyears.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Nurses to be employed in 9 AIMHI decile-1 secondary schools from 2007. Evaluation (with the Ministry of Social Development) of the health components of the AIMHI project in 2007/08. Nurses will work in 17 Counties/Manukau schools from 2008/09. Scoping study for inclusion of Alternative Education providers will be included. Depending on evaluation results, roll out to more schools will be planned for outyears.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	0.560	1.130	1.130	1.130
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.560	1.130	1.130	1.130

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Child Health Services	-	0.560	1.130	1.130	1.130
Total Operating	-	0.560	1.130	1.130	1.130
Total Capital	-	-	-	-	-

Initiative No: 4714

Vote: Health

Title: Health and Disability Commissioner Advocacy Services

Description: This proposal continues the expansion of the advocacy services offered by the Health & Disability Commission initiated in Budget 2007. Budget 2007 pre-committed funding against Budget 2008 for the rising expenditure profile of this initiative in 2008/09 and outyears.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Increase full time equivalent advocates to 41, thereby: addressing regional disparities in distribution of advocacy service; increasing access for vulnerable consumers; becoming more proactive; increasing number of education sessions; improving service quality and timeliness.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	0.275	0.550	0.550	0.550
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.275	0.550	0.550	0.550

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Monitoring and Protecting Health and Disability Consumer Interests	-	0.275	0.550	0.550	0.550
Total Operating	-	0.275	0.550	0.550	0.550
Total Capital	-	-	-	-	-

Vote: Health

Title: Improving Patient Safety using Bedside Verification of Drugs in DHB Hospitals

Description: This initiative continues the funding for the work programme to introduce to District Health Board (DHB) hospitals a system that verifies drug and patient information at the bedside using barcoded unit dose pharmaceuticals at the point of patient care, which was initiated in Budget 2007. (Pre-commitment from Budget 2007)

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Reduction in the number of patient deaths or disabilities caused by medication error. Reduce the number of extra days of hospital stay attributable to medication error. Implement to DHB Hospitals barcode point of care system. Link hospital pharmacy information systems with medication administration systems and patient management systems. Implement electronic medication administration records. Purchase and have operating drug unit dose repackaging machines.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.300	3.200	3.200	3.200
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.300	3.200	3.200	3.200

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Health Services Funding	-	2.300	3.200	3.200	3.200
Total Operating	-	2.300	3.200	3.200	3.200
Total Capital	-	-	-	-	-

Initiative No: 4716

Vote: Health

Title: Environmental Disability Support Services (ESS)

Description: This proposal continues the funding for initiatives to improve the ability of people with disabilities to live safely in their own home, to communicate and to participate in the wider community through extending the criteria for accessing environmental support services. (Budget 2007 pre-commitment)

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Development of options for purchase of hearing aids and, as an interim measure, increase the hearing aid subsidy. Enhanced access to equipment and modifications to housing and vehicles for different groups of disabled people will mean that more disabled people will be able to live safely in their homes, communicate effectively, have housing modifications completed in their homes, and have their vehicles modified.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	-	0.990	1.500	1.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	0.990	1.500	1.500

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Disability Support Services	-	-	0.990	1.500	1.500
Total Operating	-	-	0.990	1.500	1.500
Total Capital	-	-	-	-	-

Initiative No: 4718

Vote: Health

Title: Suicide Prevention and National Depression Initiative

Description: This continues the funding for activity initiated in Budget 2007 to fund & trial new approaches at providing better ongoing support, and to establish intensive primary care training models for better management of people who have attempted suicide or with depression. (Budget 2007 pre-commitment).

Theme: Families - Young and Old

Theme Objective: Confidence and supply agreements

Performance Information

Performance Text

1. Evaluated pilots for intensive care after suicide attempt; evaluated intensive demonstration sites providing training/support to General Practitioners/Primary Health Organisations on the assessment and management of depression.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.300	2.900	3.100	3.100
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.300	2.900	3.100	3.100

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.075	0.075	0.075	0.075
Non-Departmental Output Expenses:					
National Mental Health Services	-	2.225	2.825	3.025	3.025
Total Operating	-	2.300	2.900	3.100	3.100
Total Capital	-	-	-	-	-

Vote: Health

Title: Interim Funding Pool for People with Chronic Health Conditions

Description: This continues the funding for activity initiated in Budget 2007 to provide an Interim Funding Pool for people with chronic health conditions and high need for long-term support services. Budget 2007 pre-committed funding against Budget 2008 for rising expenditures in 2008/09 and outyears.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Based on assumptions about the group accessing the Interim Funding Pool, the reallocation of funding available will enable the Interim Funding Pool to fund around 493 clients (96 new clients) in 2008/09 and 569 clients (84 new clients) in 2010/11, and 57 new clients ongoing (at the attrition rate).

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	6.550	10.000	10.000	10.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.550	10.000	10.000	10.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Contracted Services - Other	-	6.550	10.000	10.000	10.000
Total Operating	-	6.550	10.000	10.000	10.000
Total Capital	-	-	-	-	-

Initiative No: 4721

Vote: Health**Title:** Sector risk management**Description:** Funding to enable the Minister of Health to manage sector risks in 2008/09 and outyears.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Funding to enable Minister to manage sector risks in 2008/09 and outyears.

Appropriation Changes

	\$m – increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Operating Balance	-	18.198	16.116	27.252	0.520	15.326	16.717
Impact							
Debt Impact	-	-	-	-	-	-	-
No Impact	-	-	-	-	-	-	-
Total	-	18.198	16.116	27.252	0.520	15.326	16.717

	\$m – increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Non-Departmental Output Expenses:							
Health Services Funding	-	18.198	16.116	27.252	0.520	15.326	16.717
Total Operating	-	18.198	16.116	27.252	0.520	15.326	16.717
Total Capital	-	-	-	-	-	-	-

Additional Recommendations

agreed that the Minister of Health may pre-commit funding as a charge against the Vote Health indicative operating allocation for Budget 2009 to a maximum of \$2.233 million in 2010/11, \$16.000 million in 2011/12 and \$13.736 million per annum in 2012/13 and outyears, for sector risk management;

agreed that when seeking the agreement of the Minister of Finance and the Minister of Health to utilise the sector risk reserve, officials must demonstrate that it is a prudent use of the risk reserves given known risks to be managed;

noted that the Ministry of Health has identified \$42.581 million of underspends in 2007/08 which it proposes to move to 2008/09 to increase funding set aside for Sector Risk Management;

Initiative No: 4721

approved the following changes to appropriations to increase the funding available to manage sector risks from 2008/09 to 2012/13, with no impact on the operating balance or debt:

	\$m – increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Non-departmental Output Expenses:							
Health Services Funding	(42.581)	12.302	13.657	1.133	14.098	1.391	-
Total Operating	(41.581)	11.302	13.657	1.133	14.098	1.391	-

noted that in addition, officials have identified unused risk reserves in baselines to offset the cost of new Risk Reserves from Budget 2007/08 as follows:

	\$m – increase/(decrease)					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13 & Outyears
Non-departmental Output Expenses:						
Health Services Funding	-	34.500	35.227	34.382	34.382	34.547
Total Operating		34.500	35.227	34.382	34.382	34.547

Initiative No: 4722

Vote: Health**Title:** Financial Incentives for DHBs to Realise Efficiencies & Progress Health Targets**Description:** *[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]***Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

This funding provides financial incentives for DHBs to achieve efficiency savings within their base funding. Performance would be measured by the level of efficiency savings achieved from joint procurement initiatives.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	6.565	5.565	6.065	15.565
Debt Impact	-	-	-	-	-
No Impact		36.500	37.500	37.000	27.500
Total	-	43.065	43.065	43.065	43.065

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Contracted Services - Other	-	43.065	43.065	43.065	43.065
Total Operating	-	43.065	43.065	43.065	43.065
Total Capital	-	-	-	-	-

Initiative No: 4722

Additional Recommendations

- 1 **directed** the Ministry of Health to report to the appropriate Cabinet committee by 1 December 2008 on the level of funding freed up from the DHB joint procurement initiative and the level of efficiency savings achieved by District Health Boards (DHBs);
- 2 **noted** that this initiative and initiative 4751 Treatment Services for Victims of Sexual Abuse and Assault will be offset by a forecast increase to Crown revenue as shown below:

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Tax Revenue:					
ACC - Reimbursement of Earners' Non-Work-Related Public Hospital Costs	5.278	5.278	5.278	5.278	5.278
ACC - Reimbursement of Medical Misadventure Costs	0.161	0.161	0.161	0.161	0.161
ACC - Reimbursement of Motor Vehicle-Related Public Hospital Costs	4.373	4.373	4.373	4.373	4.373
ACC - Reimbursement of Non-Earners Account	17.343	17.343	17.343	17.343	17.343
ACC - Reimbursement of Self-Employed Public Hospital Costs	0.503	0.503	0.503	0.503	0.503
ACC - Reimbursement of Work-Related Public Hospital Costs	1.842	1.842	1.842	1.842	1.842
Total Operating	29.500	29.500	29.500	29.500	29.500
Total Capital	-	-	-	-	-

- 3 **noted** that revenue forecast to be received in 2007/08 noted above be transferred forward to offset funding requirements for the initiatives “Financial Incentives to DHBs to Realise Efficiencies & Progress Health Targets” and “Treatment services for Victims of Sexual Abuse and Assault”;
- 4 **noted** that this transfer of revenue is reflected in the impact tables for the initiatives “Financial Incentives to DHBs to Realise Efficiencies & Progress Health Targets” and “Treatment Services for Victims of Sexual Abuse and Assault”;
- 5 **noted** that this revenue will be rephased and applied to initiatives as shown in the table below:

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Financial Incentives to DHBs to Realise Efficiencies & Progress Health Targets	-	36.500	37.500	37.000	27.500
Treatment services for Victims of Sexual Abuse and Assault	1.000	2.000	2.000	2.000	2.000
Total Operating	1.000	38.500	39.500	39.000	29.500

Vote: Health

Title: Smoking Cessation: New Pharmaceutical and Improved DHB Services

Description: *[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]*

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

DHBs will be expected to implement their agreed plans during 2008/09. These will focus on specific initiatives to promote and support quit attempts, in particular when smokers access health care services. Indicators are being developed to quantify delivery of quit advice, referral and support in primary and secondary services. *[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials].*

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	8.000	8.000	8.000	8.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	8.000	8.000	8.000	8.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Public Health Service Purchasing	-	8.000	8.000	8.000	8.000
Total Operating	-	8.000	8.000	8.000	8.000
Total Capital	-	-	-	-	-

Vote: Health

Title: Primary Health Care Strategy Implementation

Description: Residual implementation of Primary Health Care Strategy intentions and expansion of policy initiatives that increase access to primary health care services.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Implementation of final policy settings - acute demand management, *[deleted – confidentiality of advice]* to provide flexibility for District Health Board /Primary Health Organisation implementation, maintain real value of Very Low Cost Access and Under 6s access, further expansion and rollout of mental health services provided in primary care settings.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	20.000	20.000	20.000	20.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	20.000	20.000	20.000	20.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.510	0.510	0.510	0.310
Non-Departmental Output Expenses: Health Services Funding	-	19.490	19.490	19.490	19.690
Total Operating	-	20.000	20.000	20.000	20.000
Total Capital	-	-	-	-	-

Additional Recommendation

directed the Ministry of Health to report to the appropriate Cabinet committee by August 2008 with options for how this funding will be used in relation to the implementation of the Primary Health Care Strategy.

Initiative No: 4728

Vote: Health**Title:** Response to Health Select Committee Inquiry into Obesity and Type 2 Diabetes**Description:** To implement the recommendations from the Health Select Committee Inquiry into Obesity and Type 2 Diabetes. The recommendations will build on existing Healthy Eating Healthy Action (HEHA) initiatives and the funding is incremental to that already provided in Budgets 2006 and 2007.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Whole of Government approach to HEHA; quality advice from the Sector through the HEHA Steering Group; upskilling Maori and Pacific workforces; improve data collection; improve management of diabetes; increase consumption of fruit for children from low decile schools, improve nutrition and increase physical activity from FIS programme; increase numbers of babies exclusively breastfed, especially Maori and Pacific; reduction in marketing of high-fat/sugar/salt foods to children.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	13.000	13.000	13.000	13.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	13.000	13.000	13.000	13.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	1.326	1.206	1.206	1.176
Non-Departmental Output Expenses: Public Health Service Purchasing	-	11.674	11.794	11.794	11.824
Total Operating	-	13.000	13.000	13.000	13.000
Total Capital	-	-	-	-	-

Additional Recommendation

directed the Ministry of Health to report to the appropriate Cabinet committee by 30 June 2009 on progress in implementing this initiative.

Initiative No: 4729

Vote: Health**Title:** Youth Access to Health Services**Description:** To increase youth access to primary health services, support research and development, put in place the foundations necessary to support service development and the implementation of the youth health programme. Increased investment will reduce negative health outcomes and statistics for young people.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.016	3.892	5.663	5.663
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.016	3.892	5.663	5.663

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.180	0.080	0.080	0.080
Non-Departmental Output Expenses: National Child Health Services	-	1.836	3.812	5.583	5.583
Total Operating	-	2.016	3.892	5.663	5.663
Total Capital	-	-	-	-	-

Initiative No: 4732

Vote: Health

Title: Reorientation of Child and Adolescent Oral Health Services

Description: This initiative continues the implementation of the reorientation of child and adolescent oral health services announced by the Government in August 2005. Additional operating and capital funding is sought to support the announced capital investment.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Operational funding to increase Dental Assistant to Dental Therapist ratios; and cover the costs of depreciation, capital charge and clinical/non clinical costs as a result of service model changes (e.g., more mobile units, larger clinics requiring administration staff) and freeing up clinical staff for service provision. Capital funding for mobile dental clinics and site works (as required); new fixed facilities; and refurbishment of existing clinics.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	14.000	15.000	20.000	30.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	14.000	15.000	20.000	30.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Health Services Funding	-	14.000	15.000	20.000	30.000
Total Operating	-	14.000	15.000	20.000	30.000
Total Capital	-	-	-	-	-

Initiative No: 4733

Vote: Health**Title:** Migrant Health Initiative**Description:** This implements the health component of the Auckland Regional Settlement Strategy by improving access to primary health & disability support services for non-English speaking groups, and providing cultural diversity training to the primary and secondary health workforce to improve responsiveness.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

This funds: a refugee and migrant disability services implementation plan; a pilot primary health interpreting and translation service for the Auckland region; a cultural diversity workforce development programme for primary and secondary care services in the three Auckland District Health Boards; project management for the implementation of the Auckland regional settlement strategy refugee and migrant health action plan (2008/09 – 2010/11).

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.000	2.000	2.000	2.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.000	2.000	2.000	2.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.083	0.100	0.100	-
Non-Departmental Output Expenses: Public Health Service Purchasing	-	1.917	1.900	1.900	2.000
Total Operating	-	2.000	2.000	2.000	2.000
Total Capital	-	-	-	-	-

Initiative No: 4735

Vote: Health**Title:** HPV Vaccine and Immunisation Social Marketing Campaign**Description:** Addition of the Human Papilloma Virus vaccine on the National Immunisation Schedule for girls at age 11/13 years, and a catch-up programme for 12-15 years old girls. Also includes social marketing campaign on immunisation to raise awareness of benefits and improve immunisation coverage in children.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

- Vaccine programme delivery in schools and primary care services. Information and education for parents, public and health professionals;
- catchup programme for 12 - 15 year olds;
- a social marketing campaign to promote the benefits of immunisation.

Appropriation Changes

	\$m - increase/(decrease)					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13 & Outyears
Operating Balance Impact	2.986	47.654	46.554	40.571	26.439	13.501
Debt Impact	-	-	-	-	-	-
No Impact	-	-	-	-	-	-
Total	2.986	47.654	46.554	40.571	26.439	13.501

	\$m – increase/(decrease)					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13 & Outyears
Departmental Output Expenses (General): Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	2.417	4.137	0.927	0.927	0.927	0.927
Non-Departmental Output Expenses: Public Health Service Purchasing	0.569	43.517	45.627	39.644	25.512	12.574
Total Operating	2.986	47.654	46.554	40.571	26.439	13.501
Total Capital	-	-	-	-	-	-

Initiative No: 4735

Additional Recommendations

noted that in March 2008, the Cabinet Committee on Government Expenditure and Administration noted that the Minister of Finance and Minister of Health agreed that unspent funds in Vote Health in 2006/07 will be returned to the Crown and held in the general contingency tagged for two specific high value strategic health initiatives (human papillomavirus vaccine (HPV) and the Sanitary Works Subsidy Scheme), and that the Minister of Health will request the release of funds as required to implement these initiatives [EXG Min (08) 1/6];

agreed to release the funds held in the general contingency of \$94.113 million to be applied to the HPV;

noted that the funding shown for this initiative includes \$2.986 million in 2007/08, \$34.153 million in 2008/09, \$33.053 million in 2009/10 and \$24.081 million in 2010/11 of funding sourced from the general contingency;

noted that the costs for the HPV immunisation programme are still being finalised due to uncertainty about costs of the school-based campaign and that further policy work and a detailed implementation plan are still being completed;

directed the Ministry of Health to report to the Cabinet Social Development Committee by 30 May 2008 on the financial implications of final costings for the HPV immunisation programme and a detailed implementation plan.

Initiative No: 4737

Vote: Health**Title:** Increase Fraud Detection, Prevention and Investigations Capacity**Description:** This initiative seeks to increase the Ministry of Health's capacity to detect, prevent and investigate fraud and error across the \$4.5 billion of primary healthcare payments.**Theme:** Families - Young and Old**Theme Objective:** Other

Performance Information

Performance Text

Fraud Loss Measurement (FLM) exercises will be repeated annually across key risk areas of the \$4.5 billion Primary Health funding path to accurately measure the reduction of fraud and error as a result of additional investigations and prevention strategies. Savings will be returned to budget areas they were lost from to provide additional patient services.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	1.000	1.000	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	1.000	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General): Administration of Legislation and Regulations (funded by Revenue Crown)	-	1.000	1.000	-	-
Total Operating	-	1.000	1.000	-	-
Total Capital	-	-	-	-	-

Additional Recommendation

directed the Ministry of Health to report to the Minister of Finance and Minister of Health with details of the intended operating model and funding sources for this initiative before any increase in fraud investigations and capacity is implemented.

Vote: Health

Title: Investing in Medicines Sector Infrastructure

Description: To *[deleted – confidentiality of advice]* and provide the ability to implement key initiatives of the Medicines New Zealand strategy and its action plan. The strategy and action plan have been developed from the 2005 confidence and supply agreement between the government and United Future.

Theme: Families - Young and Old

Theme Objective: Confidence and supply agreements

Performance Information

Performance Text

- NZ Medicines Formulary giving details of prescribable medicines to provide unbiased information to health professionals, promote the safe and effective use of medicines and also provide clinical information beyond that contained in the Pharmaceutical Schedule;
- sustainable infrastructure for Safe and Quality Use of Medicines Ministerial Committee;
- improved transparency of the medicines system (through PHARMAC activity, website changes, and stakeholder engagement).

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.200	2.200	2.200	2.200
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.200	2.200	2.200	2.200

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Public Health Service Purchasing	-	2.200	2.200	2.200	2.200
Total Operating	-	2.200	2.200	2.200	2.200
Total Capital	-	-	-	-	-

Initiative No: 4739

Vote: Health**Title:** National Implementation of InterRAI Assessment Tool**Description:** Funding for the implementation of InterRAI MDS-HC (Minimum Data Set-Home Care) and InterRAI MDS-CA (Minimum Data Set-Contact Assessment) tools.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

- Systematic, consistent and comparable assessment process in place;
- improved risk identification;
- fewer omissions from assessment;
- reduced duplication in assessments;
- improved capacity to measure quality of care and make comparisons between providers;
- electronic data available when client presents;
- enhances capacity of older people to remain safely in their own homes.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	1.509	3.000	4.000	4.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.509	3.000	4.000	4.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Contracted Services - Other	-	1.509	3.000	4.000	4.000
Total Operating	-	1.509	3.000	4.000	4.000
Total Capital	-	-	-	-	-

Initiative No: 4740

Vote: Health**Title:** Service Planning and New Health Intervention Assessment Framework (SPNIA)**Description:** Overall the funding will strengthen District Health Boards' (DHBs) and the Ministry of Health's ability to make collaborative decisions on health service changes (introduction of new health technologies and service reconfiguration) through the SPNIA Framework.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

DHBs are supported to develop national business cases. Business cases are evaluated to inform decision-making by the National Service and Technology Review Advisory Group (NSTR). Review of how NSTR's recommendations have assisted decision-making, and the number of NSTR recommendations that are implemented by DHBs.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	1.340	1.460	1.580	1.580
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.340	1.460	1.580	1.580

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Contracted Services - Other	-	1.340	1.460	1.580	1.580
Total Operating	-	1.340	1.460	1.580	1.580
Total Capital	-	-	-	-	-

Initiative No: 4741

Vote: Health**Title:** Maori Nursing Workforce Development**Description:** Building capable and competent Maori health workers is pivotal to improving health outcomes for Maori as well as providing appropriate care to Maori individuals and their whanau.**Theme:** Families - Young and Old**Theme Objective:** Other**Appropriation Changes**

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	3.000	3.000	3.000	3.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.000	3.000	3.000	3.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Other Expenses to be Incurred by the Crown: Provider Development	-	3.000	3.000	3.000	3.000
Total Operating	-	3.000	3.000	3.000	3.000
Total Capital	-	-	-	-	-

Initiative No: 4742

Vote: Health**Title:** Pacific Health Provider and Workforce Development**Description:** Funding will be used to extend the Pacific Provider Development Fund to further invest in the Pacific health provider sector as an effective mechanism for helping to address Pacific health inequalities.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

- Achieving deliverables and outcomes as agreed in contract;
- contributing to improved capacity and capability development of the Pacific health workforce, and supported goals of the Pacific Health and Disability Workforce Development Plan;
- Contributing to capacity and capability development of Pacific communities.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	2.600	2.600	2.600	2.600
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.600	2.600	2.600	2.600

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.200	0.200	0.200	0.200
Other Expenses to be Incurred by the Crown:					
Provider Development	-	2.400	2.400	2.400	2.400
Total Operating	-	2.600	2.600	2.600	2.600
Total Capital	-	-	-	-	-

Initiative No: 4743

Vote: Health**Title:** Connected Health Information System**Description:** The National Systems Development Programme (NSDP) seeks to improve access to national health information, reduce IT system outages, improve the accuracy and availability of data for analysis and reporting and reduce the administrative time cost for health providers.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

The success of the NSDP will be judged against both the completion of the Programme's deliverables and the realisation of the benefits as detailed in the Stage 2 NSDP Business Case, sections 4.3 and 5.3. Evaluation of the benefits realised will be essential, to ensure that the deliverables are effectively utilised and the expected outcomes achieved.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	10.000	10.000	10.000	10.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	10.000	10.000	10.000	10.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Departmental Output Expenses (General):					
Information Services (funded by Revenue Crown)	-	10.000	10.000	10.000	10.000
Total Operating	-	10.000	10.000	10.000	10.000
Total Capital	-	-	-	-	-

Initiative No: 4745

Vote: Health**Title:** Workforce Development**Description:** To support the increase in uptake of training services provided by the Clinical Training Agency, including the continued provision of Nursing Entry to Practice and Midwifery First Year of Practice programmes and increasing trainee places on the General Practice training programme.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Implementation will be monitored through contract drafting, invoicing and the monthly trainee reports required to be submitted by training providers as part of the invoicing process. Annual programme evaluation reports and scheduled audits identify problems with the programmes, provide feedback and highlight opportunities for refinements, and evaluations are undertaken for the Nursing Entry to Practice programme.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	7.610	10.000	10.000	10.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	7.610	10.000	10.000	10.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Clinical Training Agency	-	7.610	10.000	10.000	10.000
Total Operating	-	7.610	10.000	10.000	10.000
Total Capital	-	-	-	-	-

Initiative No: 4746

Vote: Health**Title:** Stabilisation of the ambulance sector**Description:** To improve the quality of the ambulance service, by increasing the level of front line crewing, facilitating compliance with standards, standardising clinical competencies for all providers/regions, and addressing the inequity between co-payments for medical cases and no charge for ACC cases.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

Performance monitored through existing contractual arrangements.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact		6.900	6.900	6.900	6.900
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.900	6.900	6.900	6.900

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Contracted Services - Other	(6.000)				
National Emergency Services	6.000	6.900	6.900	6.900	6.900
Total Operating	-	6.900	6.900	6.900	6.900
Total Capital	-	-	-	-	-

Vote: Health

Title: Electives Initiative - Additional Volumes

Description: An increase in funding is required to achieve a further increase in elective discharges of 2.5%, and to improve patient access to specialist assistance and diagnostics.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Achievement of an increase in elective discharges of 2.5%, and improving patient access to specialist assistance and diagnostics.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	50.000	40.000	35.000	35.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	50.000	40.000	35.000	35.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: National Elective Services	-	50.000	40.000	35.000	35.000
Total Operating	-	50.000	40.000	35.000	35.000
Total Capital	-	-	-	-	-

Initiative No: 4749

Vote: Health**Title:** Sanitary Works Subsidy Scheme (SWSS) for Sewerage**Description:** This initiative provides additional funding of \$40 million in total to the Sanitary Works Subsidy Scheme (SWSS) for Sewerage. The existing SWSS was introduced in July 2003 (\$133m over 10 years) to subsidise the capital cost of small community sewerage works that had a high health risk.**Theme:** Families - Young and Old**Theme Objective:** FYO - Other**Performance Information****Performance Text**

Houses (and their sanitation) need to be able to meet the requirements of the Building Act, Health Act and for the safe disposal of sewage to the environment, the Resource Management Act (RMA). Compliance with requirements of these Acts and consequent regulations (which the communities are often unable to do at present) will enable a benchmark to be checked to show safe sanitary conditions have been achieved.

Appropriation Changes

	\$m - increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Operating Balance Impact	-	15.500	12.325	7.525	3.259	1.391	-
Debt Impact	-	-	-	-	-	-	-
No Impact	-	-	-	-	-	-	-
Total	-	15.500	12.325	7.525	3.259	1.391	-

	\$m - increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Departmental Output Expenses (General):							
Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	-	0.280	0.280	0.280	0.280	0.280	-
Non-Departmental Output Expenses:							
Public Health Service Purchasing	-	15.220	12.045	7.245	2.979	1.111	-
Total Operating	-	15.500	12.325	7.525	3.259	1.391	-
Total Capital	-	-	-	-	-	-	-

Initiative No: 4749

Additional Recommendation

noted that the funding path for the Sanitary Works Subsidy Scheme after the addition of funding allocated in this operating package for Vote Health (excluding administration costs) is as follows:

	\$m - increase/(decrease)						
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14 & Outyears
Existing baseline funding	10.166	19.538	13.333	13.333	13.333	13.333	-
Budget 2008 allocation	-	15.220	12.045	7.245	2.979	1.111	-
Total	10.166	34.758	25.378	20.578	16.312	14.444	-

Initiative No: 4750

Vote: Health**Title:** Healthy Housing Programme**Description:** Improved general health and wellbeing for participants; reducing the risk of infectious disease due to overcrowding.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

This is a partnership between Housing NZ Corporation and Counties Manukau, Auckland and Northland District Health Boards. It involves housing improvements including design alterations, extending homes for larger families, installing insulation, ventilation and heating systems, building and buying new homes, transferring households or part households to more appropriate accommodation and helping families move to private accommodation.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	15.000	15.000	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	15.000	15.000	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Health Services Funding	-	15.000	15.000	-	-
Total Operating	-	15.000	15.000	-	-
Total Capital	-	-	-	-	-

Initiative No: 4751

Vote: Health**Title:** Treatment Services for Victims of Sexual Abuse and Assault**Description:** This proposal allows for the funding for services for victims of sexual abuse. It is proposed to fund these services jointly between Accident Compensation Corporation (ACC), Police and Health.**Theme:** Families - Young and Old**Theme Objective:** Other**Performance Information****Performance Text**

The ACC, Ministry of Health and Police propose to fund jointly services to victims of sexual abuse. This funding will enable a consistent service to be established to provide coverage for all district health boards.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	1.000	2.000	2.000	2.000	2.000
Total	1.000	2.000	2.000	2.000	2.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Public Health Service Purchasing	1.000	2.000	2.000	2.000	2.000
Total Operating	1.000	2.000	2.000	2.000	2.000
Total Capital	-	-	-	-	-

Additional Recommendation

noted that this initiative will be offset by a forecast increase to ACC Public Health Acute Services Crown revenue as shown in the initiative 4722 for “Financial Incentives to DHBs to Realise Efficiencies & Progress Health Targets”.

Vote: Health

Title: Health Capital Envelope

Description: The Health Capital Budget provides equity and loans for DHBs for major investment in hospitals, equipment and information technology, over and above available depreciation available for baseline capital requirements. Also includes capital proposals for Oral Health and National Systems Development Programme (Tranche 2).

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Funding from the Health Capital Budget enables hospitals and other health infrastructure to be expanded to cope with growing or changing health needs or refurbished and replaced as they reach the end of their useful life. This proposal also includes capital requirements for Ministry-led capital projects such as National Systems Development Programme Tranche 2 and oral health.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	50.000
No Impact	-	-	-	-	-
Total	-	-	-	-	50.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12
Capital Expenditure: Equity for Capital Projects for DHBs and the New Zealand Blood Service	-	-	-	-	50.000
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	50.000

Vote: Health

Title: Contribution from Baselines for Cross-government Initiatives

Description: It is proposed that unallocated funding in existing Vote Health baselines be used for a Vote Health contribution of \$1.5 million in 2007/08 to Vote Social Development for the Longitudinal Study of Children and their Families, \$0.5 million in 2007/08 to Vote Commerce for Government procurement and \$2.0 million in 2008/09 to Vote Community and Voluntary Sector to extend the Community Partnership fund.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

This funding is to support initiatives in Votes Social Development, Commerce and Community and Voluntary Sector. Performance information on these initiatives is covered in the corresponding Votes Budget Package.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	(2.000)	(2.000)	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(2.000)	(2.000)			

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses:					
Clinical Training Agency	(1.500)	-	-	-	-
Health Services Funding	(0.500)	(2.000)			
Total Operating	(2.000)	(2.000)	-	-	-
Total Capital	-	-	-	-	-

Vote: Health

Title: Support for Health Sector to Build Capability and Innovate

Description: To initiate a portfolio of activities designed to create opportunities for improvements in health care, stimulate collaboration between funders and providers, and provide training and learning opportunities for health sector workers.

Theme: Families - Young and Old

Theme Objective: Other

Performance Information

Performance Text

Service improvements will be identified by the sector. Improvement & innovation programmes will include applied research, collaboratives, managed & accelerated learning clinical networks, web based tools (clearing houses and network tools), leadership development and learning sets, & visiting international experts.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	7.000	7.000	7.000	7.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	7.000	7.000	7.000	7.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Health Services Funding	-	7.000	7.000	7.000	7.000
Total Operating	-	7.000	7.000	7.000	7.000
Total Capital	-	-	-	-	-

Additional Recommendation

directed the Ministry of Health to report to the Minister of Finance and the Minister of Health on the intended use and expected gains from this investment by 30 June 2008.

Vote: Health

Title: *[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]*

Description: *[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]*

Theme: [deleted – confidentiality of advice] **Theme Objective:** [deleted – confidentiality of advice]

Performance Information

Performance Text

[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]

Appropriation Changes

[information deleted in order to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]

Vote: Health

Title: Enhancing Surveillance and Control of Anti-microbial Resistance

Description: To investigate new and/or existing methodologies, systems or initiatives to monitor and control anti-microbial organisms in New Zealand.

Theme: Families - Young and Old

Theme Objective: Confidence and supply agreements

Performance Information

Performance Text

Operational funding to increase clinical/non clinical costs as a result of additional services (e.g. more testing, research initiatives, production of guidelines). Additional information on a wider range of organisms, patterns and quantities of anti-microbial usage.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	-	1.000	1.000	1.000	1.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.000	1.000	1.000	1.000

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Departmental Output Expenses: Health Services Funding	-	1.000	1.000	1.000	1.000
Total Operating	-	1.000	1.000	1.000	1.000
Total Capital	-	-	-	-	-

Initiative No: 5299**Vote:** Health**Title:** Enhanced Access to Hearing Aids for Super Gold Card Holders**Description:** This initiative will increase the government contribution available to Super-Gold cardholders (SGC) to purchase hearing aids. Initially, this is likely to be through an increase to the existing hearing aid subsidy from \$176 per aid up to approximately \$700 per aid (GST excl.).**Theme:** Other**Theme Objective:** Other**Performance Information****Performance Text**

Enhanced government contribution for SGC holders aged 65 and over for hearing aids up to approximately \$700 per aid (GST excl.), payable once every five years. There will be an initial report back on implementation issues. Increased government contribution expected to be available from 1 October 2008.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	4.500	4.500	4.500	4.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.500	4.500	4.500	4.500

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Non-Departmental Output Expenses: National Disability Support Services	-	4.500	4.500	4.500	4.500
Total Operating	-	4.500	4.500	4.500	4.500
Total Capital	-	-	-	-	-

Additional Recommendations

noted that there are risks and implementation issues associated with the funding for this initiative;

directed the Ministry of Health to report to the Minister of Finance, the Minister of Health, the Minister for Senior Citizens and the Associate Minister for Senior Citizens on costings and implementation of this initiative by 15 May 2008;

authorised the Minister of Finance and Minister of Health up to 30 June 2008 to approve jointly changes in baselines between types of appropriations for this initiative;

Additional Recommendations

Contributions from Vote Health to Other Votes

noted that the overall contribution from Vote Health and the Vote Health allocation to other Votes in this Budget package are as follows:

Initiative	Vote	\$ millions (GST exclusive)				
		2007/08	2008/09	2009/10	2010/11	2011/12 & outyears
Education Services to Support the Universal Newborn Hearing Screening Programme	Education	-	1.154	1.787	2.094	2.258
High Health Needs Baseline Increase	Education	-	2.671	-	-	-
Extending the Community Partnership Fund	Community and Voluntary Sector	-	2.000	-	-	-
Mid-cycle NZ Total Diet Survey	Food Safety	-	0.400	0.300	-	-
<i>Growing Up in New Zealand</i> Longitudinal Study	Social Development	1.500	-	-	-	-
Government procurement: Integration of sustainability	Commerce	0.500	-	-	-	-
Total Contributions from Vote Health		2.000	6.225	2.087	2.094	2.258

Extreme Complex Burns

agreed to the following changes to appropriations to enable the Health sector to address the needs of Accident Compensation Corporation (ACC) claimants with extreme complex burns in terms of the Annual Service agreement between ACC and the Crown:

Vote Health Minister of Health	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-departmental Output Expenses: National Contracted Services – Other	3.400	3.400	3.400	3.400	3.400
Total Operating	3.400	3.400	3.400	3.400	3.400

noted that this will be offset by a forecast increase to Crown revenue as shown below:

Vote Health Minister of Health	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-Tax Revenue: ACC – Reimbursement of Complex Burns Costs	3.400	3.400	3.400	3.400	3.400
Total Non-Tax Revenue	3.400	3.400	3.400	3.400	3.400

Napier Hospital and Health Services (Wai 692) Treaty of Waitangi Claim: Resolution of Contemporary Aspects

noted that in October 2007, Cabinet approved fiscally neutral changes to appropriations to provide for the transfer of costs of an endowment fund, establishment funding, and a building purchase for settlement of the Wai 692 claim [CAB Min (07) 37/14];

noted that paragraph 9 of CAB Min (07) 37/14 indicated that this appropriation transfer would occur in the 2008/09 financial year whereas the associated costs are expected to be met in 2007/08 financial year;

agreed to the following adjustment to give effect to the intended decision in paragraph 9 of CAB Min (07) 37/14:

Vote Health Minister of Health	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-departmental Output Expenses: National Maori Health Services	(0.650)	0.650	-	-	-
Other Expenses to be Incurred by the Crown: Legal Expenses	0.650	(0.650)	-	-	-
Total Operating	-	-	-	-	-

Provision for DHB Deficits

noted that the Ministry of Health has identified \$53.0 million of underspends in 2007/08 which it proposes moving to 2008/09 to increase funding set aside for District Health Board deficit support;

approved the following changes to appropriations to increase the funding available to manage sector risks in 2008/09, with no impact on the operating balance or debt:

Vote Health Minister of Health	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Non-departmental Output Expenses: Health Services Funding	(41.500)	53.000	-	-	-
Non-departmental Output Expenses: Public Health Service Purchasing	(10.000)	-	-	-	-
Departmental Output Expenses (General): Administration of Funding and Purchasing of Health and Disability Support Services (funded by Revenue Crown)	(1.500)				
Total Operating	(53.000)	53.000	-	-	-

Rephasing of Health Capital Envelope

6 **approved** the following changes to appropriations to re-phase the funding available for capital projects, with no impact on the operating balance or debt:

Vote Health Minister of Health	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Capital Expenditure: Equity for Capital Projects for DHBs and the New Zealand Blood Service	-	(65.000)	-	65.000	-
Total Capital	-	(65.000)	-	65.000	-