

VOTE *Health*

Health

VOTE MINISTER: Minister of Health

ADMINISTERING DEPARTMENT: Ministry of Health

The Minister of Health is the responsible Minister for the Ministry of Health

Part B - Statement of Appropriations

Summary of Appropriations

	Appropriations to be Used				Total Appropriations
	By the Department Administering the Vote		For Non-Departmental Transactions		
Types of Appropriation	Annual \$000	Other \$000	Annual \$000	Other \$000	\$000
Operating Flows					
Classes of Outputs to be Supplied	154,069	1,344	7,175,271	-	7,330,684
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	37,558	-	37,558
Capital Flows					
Capital Contributions	-	-	336,405	-	336,405
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 2001/02	154,069	1,344	7,549,234	-	7,704,647
Total 2001/02 Main Estimates Appropriations	150,487	1,407	7,320,947	-	7,472,841

Part B1 - Details of Appropriations

	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross)							
D1 Sector Policy	13,611	-	(4,234)	-	9,377	-	- Strategic advice and policy analysis on the health and disability sector in New Zealand. This includes health and disability services policy, public health policy and Māori health policy. This reduction is largely due to overhead reallocation within the Ministry of Health of \$4.981 million and carry-forwards of \$0.771 million transferred to 2002/03 which are partly offset by carry-forwards of \$1.400 million transferred from 2000/01.
D2 Funding and Performance	9,903	-	(417)	-	9,486	-	- Negotiation, management and monitoring of the funders of health and disability services, and the negotiation and monitoring of funding agreements with specific advisory and sector support service providers. This reduction is largely due to the transfer of provider arms budgets to DHBs (\$1.000 million) which is partly offset by a carry-forward for Health Action Zones of \$0.450 million transferred from 2000/01.
D3 Ministerial Support Services	3,725	-	1,057	-	4,782	-	- Provision of responses to ministerial correspondence and parliamentary questions. This increase is largely due to overhead reallocation within the Ministry of Health.
D4 Maori Health	2,736	-	1,557	-	4,293	-	- Policy advice on reducing disparities in health status for Māori by increased responsiveness. This increase is largely due to overhead reallocation within the Ministry of Health.

Part B1 - Details of Appropriations (continued)

Appropriations	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Departmental Output Classes (Mode B Gross) – cont'd							
D5 Public Health	27,918	-	4,297	-	32,215	-	Administration and enforcement of health legislation, including licensing, monitoring, national coordination and technical advice. This increase arises from new funding provided for problem gambling (\$0.300 million), genetically-modified food labelling (\$0.365 million), a transfer for immunisation costs from the Personal and Family Services output class (0.298 million), increased capital charge costs following the disestablishment of the Health Funding Authority (0.360 million), funding for a reforecast of third party revenue (\$0.856 million) an overhead reallocation within the Ministry of Health totalling \$1.711 million and a carry-forward of expenditure for Trans-Tasman Therapeutics of \$0.278 million from 2000/01.
D6 Disability Issues	12,904	-	(256)	-	12,648	-	Policy advice on issues specific to people with disabilities. Negotiate and administer service agreements with disability support service providers. A carryforward of DHB devolution expenditure to 2002/03 (\$1.463 million) is partly offset by an overhead reallocation within the Ministry of Health (\$0.832 million), a transfer for Kimberley and Braemar project management costs (\$0.127 million), the administration costs for residential care loans (\$0.080 million), and increased capital charge costs following the disestablishment of the Health Funding Authority (\$0.168 million).
D7 Mental Health	4,323	-	1,731	-	6,054	-	Implementation of the Mental Health Strategy. Administration of regulations related to mental health. This increase is largely due to overhead reallocation within the Ministry of Health (\$1.525 million), and increased funding for problem gambling (\$0.100 million) and capital charge costs following the disestablishment of the Health Funding Authority (\$0.106 million).

D8 Health Sector Development	-	-	5,426	-	5,426	-	- Development and implementation of health structural changes including District Health Boards. A carry-forward of \$7.769 million from 2001/02 and budget reallocations within the Ministry of Health of \$3.751 million are partly offset by a carry-forward of \$6.100 million to 2002/03.
D9 Personal and Family Services	20,470	-	5,126	-	25,596	-	- Strategic and policy advice and issues management relating to child and youth, maternity and adult health services. Development and administration of regulations related to health services facilities and providers. This increase is due to overhead reallocation within the Ministry of Health (\$5.023 million) and funding for an increase in capital charge costs following the disestablishment of the Health Funding Authority (\$0.401 million) which are offset by a transfer of immunisation cost funding to the Public Health output class (\$0.298 million).
D10 Management of National Screening Programmes	8,275	-	1,705	-	9,980	-	- Management of national screening programmes. This increase arises largely from a carry-forward from 2001/02 of \$1.500 million, an overhead reallocation within the Ministry of Health (\$2.115 million) and increased funding for capital charge costs following the disestablishment of the Health Funding Authority (\$0.090 million) which are partly offset by a carry-forward to 2002/03 of \$2.000 million.
Total Appropriations for Departmental Output Classes (Mode B Gross)	103,865	-	15,992	-	119,857	-	
Departmental Output Classes (Mode B Net)							
D11 Information Services	46,622	1,407	(12,410)	(63)	34,212	1,344	- Production and management of health information, including databases. This reduction in the annual appropriation is due to budget reallocation within the Ministry of Health. The change in the Other appropriation is due to a revenue reforecast.
Total Appropriations for Departmental Output Classes (Mode B Net)	46,622	1,407	(12,410)	(63)	34,212	1,344	

Part B1 - Details of Appropriations (continued)

	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Non-Departmental Output Classes							
O1 Health and Disability Services - Northland DHB	177,032	-	(7,011)	-	170,021	-	Funding of personal health services, disability support services and management outputs from Northland DHB. A net reduction of \$7.670 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.354 million), community services card costs (\$0.075 million), costs of well-settled overstayers (\$0.093 million) and the 2001/02 demographics adjustment(\$0.137 million).
O2 Health and Disability Support Services - Waitemata DHB	358,821	-	10,923	-	369,744	-	Funding of personal health services, disability support services and management outputs from Waitemata DHB. This increase arises from a net increase of \$8.975 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.852 million), community services card costs (\$0.191 million), costs of well-settled overstayers (\$0.628 million) and the 2001/02 demographics adjustment(\$0.277 million).
O3 Health and Disability Support Services - Auckland DHB	869,362	-	(83,804)	-	785,558	-	Funding of personal health services, disability support services and management outputs from Auckland DHB. A net reduction of \$87.279 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$1.789 million), community services card costs (\$0.368 million), costs of well-settled overstayers (\$0.645 million) and the 2001/02 demographics adjustment(\$0.673 million).

O4 Personal Health and Disability Support Services - Counties-Manukau DHB	428,506	-	(1,680)	-	426,826	- Funding of personal health services, disability support services and management outputs from Counties/Manukau DHB. A net reduction of \$3.402 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.677 million), community services card costs (\$0.170 million), costs of well-settled overstayers (\$0.544 million) and the 2001/02 demographics adjustment (\$0.331 million).
O5 Health and Disability Support Services - Waikato DHB	536,700	-	(34,498)	-	502,202	- Funding of personal health services, disability support services and management outputs from Waikato DHB. A net reduction of \$36.232 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.849 million), community services card costs (\$0.244 million), costs of well-settled overstayers (\$0.226 million) and the 2001/02 demographics adjustment(\$0.415 million).
O6 Personal Health and Disability Support Services - Lakes DHB	108,089	-	1,443	-	109,532	- Funding of personal health services, disability support services and management outputs from Lakes DHB. This increase arises from a net increase of \$1.024 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.214 million), community services card costs (\$0.053 million), costs of well-settled overstayers (\$0.069 million) and the 2001/02 demographics adjustment(\$0.083 million).
O7 Health and Disability Support Services - Bay of Plenty DHB	225,000	-	(7,949)	-	217,051	- Funding of personal health services, disability support services and management outputs from Bay of Plenty DHB. A net reduction of \$8.681 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.366 million), community services card costs (\$0.076 million), costs of well-settled overstayers (\$0.116 million)and the 2001/02 demographics adjustment (\$0.174 million).
O8 Health and Disability Support Services - Tairāwhiti DHB	58,624	-	(4,195)	-	54,429	- Funding of personal health services, disability support services and management outputs from Tairāwhiti DHB. A net reduction of \$4.344 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.070 million, community services card costs (\$0.015 million), costs of well-settled overstayers (\$0.019 million) and the 2001/02 demographics adjustment (\$0.045 million).

Part B1 - Details of Appropriations (continued)

Appropriations	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Non-Departmental Output Classes – cont'd							
O9 Health and Disability Support Services - Taranaki DHB	120,520	-	(5,067)	-	115,453	-	Funding of personal health services, disability support services and management outputs from Taranaki DHB. A net reduction of \$5.498 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.234 million), community services card costs (\$0.047 million), costs of well-settled overstayers (\$0.057 million) and the 2001/02 demographics adjustment(\$0.093 million).
O10 Health and Disability Support Services - Hawkes Bay DHB	170,631	-	1,488	-	172,119	-	Funding of personal health services, disability support services and management outputs from Hawkes Bay DHB. This increase arises from a net increase of \$0.780 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.398 million), community services card costs (\$0.088 million), costs of well-settled overstayers (\$0.090 million) and the 2001/02 demographics adjustment (\$0.132 million).
O11 Health and Disability Support Services - Whanganui DHB	59,512	-	29,225	-	88,737	-	Funding of personal health services, disability support services and management outputs from Whanganui DHB. This increase arises from a net increase of \$28.901 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.199 million), community services card costs (\$0.039 million), costs of well-settled overstayers (\$0.040 million) and the 2001/02 demographics adjustment(\$0.046 million).

O12 Health and Disability Support Services - MidCentral DHB	198,128	-	(5,772)	-	192,356	- Funding of personal health services, disability support services and management outputs from MidCentral DHB. A net reduction of \$6.612 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.478 million), community services card costs (\$0.102 million), costs of well-settled overstayers (\$0.107 million) and the 2001/02 demographics adjustment (\$0.153 million).
O13 Health and Disability Support Services - Hutt DHB	140,410	-	12,302	-	152,712	- Funding of personal health services, disability support services and management outputs from Hutt DHB. This increase arises from a net increase of \$11.581 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.379 million), community services card costs (\$0.082 million), costs of well-settled overstayers (\$0.152) and the 2001/02 demographics adjustment (\$0.108 million).
O14 Health and Disability Support Services - Capital and Coast DHB	450,220	-	(70,334)	-	379,886	- Funding of personal health services, disability support services and management outputs from Capital and Coast DHB. A net reduction of \$71.883 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.716 million), community services card costs (\$0.150 million), costs of well-settled overstayers (\$0.335 million) and the 2001/02 demographics adjustment (\$0.348 million).
O15 Health and Disability Support Services - Wairarapa DHB	41,496	-	452	-	41,948	- Funding of personal health services, disability support services and management outputs from Wairarapa DHB. This increase arises from a net increase of \$0.286 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.091 million), community services card costs (\$0.020 million), costs of well-settled overstayers (\$0.023 million) and the 2001/02 demographics adjustment (\$0.032 million).
O16 Health and Disability Support Services - Nelson-Marlborough DHB	129,256	-	3,832	-	133,088	- Funding of personal health services, disability support services and management outputs from Nelson-Marlborough DHB. This increase arises from a net increase of \$3.263 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.314 million), community services card costs (\$0.069 million), costs of well-settled overstayers (\$0.086) and the 2001/02 demographics adjustment (\$0.100 million).

Part B1 - Details of Appropriations (continued)

Appropriations	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Non-Departmental Output Classes – cont'd							
O17 Health and Disability Support Services - West Coast DHB	70,419	-	(25,822)	-	44,597	-	Funding of personal health services, disability support services and management outputs from West Coast DHB. A net reduction of \$25.991 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.084 million), community services card costs (\$0.017 million), costs of well-settled overstayers (\$0.014 million) and the 2001/02 demographics adjustment(\$0.054 million).
O18 Health and Disability Support Services - Canterbury DHB	640,577	-	(21,015)	-	619,562	-	Funding of personal health services, disability support services and management outputs from Canterbury DHB. A net reduction of \$22.848 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.801 million), community services card costs (\$0.176 million), costs of well-settled overstayers (\$0.360 million) and the 2001/02 demographics adjustment(\$0.496 million).
O19 Health and Disability Support Services - South Canterbury DHB	57,099	-	2,057	-	59,156	-	Funding of personal health services, disability support services and management outputs from South Canterbury DHB. This increase arises from a net increase of \$1.808 million reflecting the final agreed costs of services devolved to DHBs during 2001/02, increased funding for ACC pharmaceutical and laboratory costs (\$0.147 million), community services card costs (\$0.032 million), costs of well-settled overstayers (\$0.026 million) and the 2001/02 demographics adjustment(\$0.044 million).

O20 Health and Disability Support Services - Otago DHB	283,861	-	(2,361)	-	281,500	- Funding of personal health services, disability support services and management outputs from Otago DHB. A net reduction of \$3.633 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.760 million), community services card costs (\$0.160 million), costs of well-settled overstayers (\$0.133 million) and the 2001/02 demographics adjustment (\$0.219 million).
O21 Health and Disability Support Services - Southland DHB	121,621	-	(20,969)	-	100,652	- Funding of personal health services, disability support services and management outputs from Southland DHB. A net reduction of \$21.356 million reflecting the final agreed costs of services devolved to DHBs during 2001/02 is offset by increased funding for ACC pharmaceutical and laboratory costs (\$0.210 million), community services card costs (\$0.046 million), costs of well-settled overstayers (\$0.037 million) and the 2001/02 demographics adjustment (\$0.094 million).
O22 Disability Support Services - National	1,369,605	-	(21,923)	-	1,347,682	- Funding of disability support services from District Health Boards and other Disability Support service providers. This reduction results from decreases from funding transferred to DHBs (\$4.694 million), a fiscally-neutral transfer to Vote Child, Youth and Family Services for young persons excluded from coverage of the Intellectual Disability (Compulsory Care) Bill (\$1.261 million), a transfer of Kimberley and Braemar project management costs to the Ministry of Health (\$0.127 million), a reduction in the funding of Residential Care Loans (\$0.375 million), the transfer of administrative costs for Residential Care Loans to the Ministry of Health (\$0.080 million), a carry-forward of demand management pool costs to 2002/03 (\$10.000 million) and a transfer of National Contracts Management costs to National Services (\$15.000 million). These reductions are partly offset by the 2001/02 demographics adjustment (\$1.739 million) and a transfer from National Services for Mental Health contracts (\$7.875 million).
O23 Public Health Service Purchasing	228,058	-	11,454	-	239,512	- Public Health Services funded by the Ministry of Health from DHBs and other public health service providers. This increase includes carryforwards from 2001/02 for meningococcal vaccine (\$4.160 million) intensive home visiting (\$0.810 million) and family violence guidelines (\$0.724 million) and a transfer for immunisation costs transferred from National Services (\$6.188 million) which are partly offset by the 2001/02 demographics adjustment (\$0.061 million) and public health funding transferred to DHBs (\$0.367 million).
O24 Management of Residual Health Liabilities and Crown Health Enterprise Debt	1,814	-	-	-	1,814	- Management of residual area health board liabilities and debt allocated to DHBs.

Part B1 - Details of Appropriations (continued)

Appropriations	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Non-Departmental Output Classes – cont'd							
O25 National Services	232,430	-	294,598	-	527,028	-	Funding of services not devolved to District Health Boards. Increases for the 2001/02 demographics adjustment (\$0.716 million), transfers for services not yet devolved to DHBs (\$253.872 million), funding for Reducing Inequalities - Primary Health Care (\$1.000 million), pharmaceutical and laboratory costs (\$47.498 million), the community services card (\$0.100 million), and a transfer for National Contracts Management costs from Disability Support Services - National (\$15.000 million), are partly offset by a reduction for Family Start funding transferred to Votes Education and Child, Youth and Family Services (\$1.300 million), a transfer for Mental Health Services transferred to Public Health (\$7.875 million), immunisation costs transferred to Public Health (\$6.188 million), the costs of mental health inspections transferred to Public Health (\$0.400 million), Pacific Island Provider Development costs transferred to the Other Expenses - Provider Development appropriation (\$2.825 million) and a carry-forward of chronically medically ill costs to 2002/03 (\$5.000 million).
O26 National Advisory and Support Services	12,680	-	-	-	12,680	-	Provision of advisory and support services by independent service providers.
O27 Advice on Food Standards	1,667	-	430	-	2,097	-	Funding of services to support New Zealand's participation in the Australia New Zealand Food Authority. This increase provides for increased costs of the implementation of joint food standards provided by the Australia New Zealand Food Authority.

O28 Monitoring and Protecting Health and Disability Consumer Interests	11,917	-	400	-	12,317	-	Provision of services to monitor and protect health consumer interests by the Health and Disability Commissioner, District Mental Health Inspectors and Review Tribunals, and the Mental Health Commission. This increase provides for a transfer from National Services for increased costs of mental health inspections.
O29 Meningococcal Vaccine Programme	-	-	4,000	-	4,000	-	The development, purchasing and delivery of a vaccine to target population groups. New appropriation.
O30 Health Services Funding	-	-	11,012	-	11,012	-	Funding held over to address risks and to fund health and disability services contracts. This increase arises from the transfer of equity following the disestablishment of the Health Funding Authority (\$26.012 million) and a carry-forward of tagged and committed funding from 2001/02 (\$5.000 million) which are partly offset by a carry forward to 2002/03 for Health Package Risk Management (\$20.000 million).
Total Appropriations for Non-Departmental Output Classes	7,104,055	-	71,216	-	7,175,271	-	
Other Expenses to be Incurred by the Crown							
Australian Kidney Foundation	15	-	-	-	15	-	Cost contribution to the Australian Kidney Foundation to receive the Australia and New Zealand Dialysis and Transplant Registry.
International Health Organisations	1,857	-	354	-	2,211	-	World Health Organisation (WHO) and Australian Health Ministers' conference contribution. This increase provides for the increased cost of contributions to the World Health Organisation and the Australia New Zealand Health Ministers Committee (AHMAC).
Legal Expenses	2,000	-	17,707	-	19,707	-	Legal claims compensation. This change reflects increased provision for settlement of legal claims.
Provider Development	12,800	-	2,825	-	15,625	-	Funding for the development of health providers, particularly for the improvement of Maori health. This increase arises from a transfer for Pacific Island Provider development costs from the National Services output class.

Part B1 - Details of Appropriations (continued)

	2001/02						Purpose of and Reasons for Change in 2001/02 Appropriations
	Main Estimates		Supplementary Estimates		Cumulative Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
Total Appropriations for Other Expenses to be Incurred by the Crown	16,672	-	20,886	-	37,558	-	
Capital Contributions to Other Persons or Organisations							
Capital Injections to Public Hospitals	102,600	-	56,200	-	158,800	-	- Capital contributions to DHBs to cover new investments and reconfiguration of their operations and balance sheets. Increases for a carry-forward from 2000/01 (\$43.000 million), increased funding for 2001/02 (\$60.000 million) and a transfer from the Support For Hospital Deficits capital appropriation (\$13.000 million) are offset by a transfer for Health Package Risk Management to 2002/03(\$44.000 million) and a return of funding to the Crown (\$15.800 million).
Residual Health Management Unit Property Disposal	15,000	-	(15,000)	-	-	-	- Loans to the RHMU to enable it to undertake property disposal functions on behalf of DHBs and for other surplus properties. This change provides for a carry-forward of unspent funding to 2002/03.
Debt Refinancing for Crown-Owned Hospitals	37,700	-	115,000	-	152,700	-	- Funding to refinance debt for Crown-owned Hospitals. A carry-forward from 2000/01 (\$150.000 million) is partly offset by a carry-forward to 2002/03(\$35.000 million).
New Debt for Crown-Owned Hospitals	44,800	-	(25,315)	-	19,485	-	- Funding of new debt for Crown-owned Hospitals. This decrease includes a transfer for support for hospital deficits (\$13.000 million) and a carry forward to 2002/03 (\$12.315 million).
RHMU Equity - Crown Funding Agency	120	-	-	-	120	-	- Equity injection to fund the establishment of the Crown Funding Agency.

Residential Care Loans	-	-	5,300	-	5,300	-	Loans to provide assistance for patients in residential care. New appropriation.
Total Appropriations for Capital Contributions to Other Persons or Organisations	200,220	-	136,185	-	336,405	-	
Total Appropriations	7,471,434	1,407	231,869	(63)	7,703,303	1,344	

Part C - Explanation of Appropriations for Output Classes

Part C1 – Departmental Output Classes

Output Class D8 – Health Sector Development

This output class provides for sector development during the establishment and development period of District Health Boards. It focuses on policy advice and analysis on operational frameworks, systems and mechanisms not covered by other output classes.

Cost

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
2001/02	5,426	4,823	4,823	4,823	-

Part C2 – Non-Departmental Output Classes

Output Class O29 – Meningococcal Vaccine Programme

The Minister of Health purchases the development of a vaccine for meningococcal meningitis and the establishment of a clinical trial for young people in high risk areas.

Performance measures

The Minister of Health expects that:

- the terms and conditions of the contract for vaccine development are met by the developer and the Ministry of Health
- the Ministry will identify and contract with appropriate organisations to deliver the clinical trial vaccine to the target population
- the Ministry will report to Ministers regularly on the progress of the programme and phasing of associated costs.

Cost

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
2001/02	4,000	3,556	3,556	3,556	-

Output Class O30 – Health Services Funding

The Ministry of Health funds a number of national personal health, Maori health, and mental services. These services are funded on behalf of populations spanning District Health Boards.

Funding and monitoring provisions of these services are covered by the performance measures in the Ministry of Health's departmental output classes.

Performance measures

The Minister of Health expects that:

- services will be provided within appropriation in accordance with funding arrangements agreed with the Minister. The quantity, quality and nature of the services to be provided are documented and timeframes specified in these funding arrangements
- reports on the delivery of services will be provided to the Ministry of Health by the providers in accordance with the provisions of their organisations' funding agreements.

Cost

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
2001/02	11,012	9,788	9,788	9,788	-

Part F1 - Current and Capital Revenue and Receipts

	2001/02			Explanation of 2001/02 Crown Revenue
	Main Estimates \$000	Supplementary Estimates \$000	Total Budgeted \$000	
Current Revenue				
Non-Tax Revenue				
ACC - Reimbursement of Work-Related Public Hospital Costs	15,878	1,234	17,112	Accident compensation (ACC) recovery of work-related accident treatment costs incurred by the public health system. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$0.654 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$0.580 million).
ACC - Reimbursement of Non-Earners Account	144,860	11,262	156,122	Payment by ACC to cover the costs incurred to Vote Health by non-earners who have accidents and require acute hospital treatment. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$5.968 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$5.294 million).
ACC - Reimbursement of Self-Employed Public Hospital Costs	4,848	377	5,225	Payment by ACC to recover the accident treatment costs incurred to Vote Health for self employed workers. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$0.200 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$0.177 million).
ACC - Reimbursement of Medical Misadventure Costs	818	64	882	Payment by ACC to reimburse costs associated with medical misadventures. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$0.034 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$0.030 million).
ACC - Reimbursement of Earners' Non-Work-Related Public Hospital Costs	40,461	3,146	43,607	Payment by ACC to cover the costs incurred to Vote Health by earners who have an accident outside work and require acute hospital treatment. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$1.667 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$1.479 million).
ACC - Reimbursement of Motor Vehicle-Related Public Hospital Costs	35,418	2,754	38,172	Payment by ACC to cover the costs incurred to Vote Health by those who have a motor vehicle accident and require acute hospital treatment. This increase arises from additional receipts for pharmaceutical and laboratory costs from ACC (\$1.459 million) and additional receipts from changes in the Public Health Acute Services Regulations (\$1.295 million).

Payment of Capital Charge by DHBs	108,800	(21,800)	87,000	Payment of capital charge by DHBs. Forecast change.
Net Surplus from DHBs	(39,000)	(171,000)	(210,000)	The net surplus(deficit) from DHBs. Forecast change.
Repayment of Loan Interest from Private Hospitals and Group Practices	38	-	38	Repayment of loan interest from private hospitals and group practices.
Residual Health Management Rental	278	-	278	Rental income from vacated area health board premises that were not taken over by DHBs.
Total Non-Tax Revenue	312,399	(173,963)	138,436	
Total Current Revenue	312,399	(173,963)	138,436	
Capital Receipts				
Repayment of Residential Care Loans	-	71,000	71,000	Receipts from repayment of loans by patients receiving residential care. New item.
Principal Repayment of Loans to Private Hospitals	360	-	360	Repayment of loan principal from private hospitals and group practices.
Principal Loan Repayments by Occupational Registration Boards	127	(127)	-	Repayment of principal of loans made to individual Occupational Registration Boards Corporate. Forecast change.
Total Capital Receipts	487	70,873	71,360	
Total Crown Revenue and Receipts	312,886	(103,090)	209,796	