

VOTE *Health*

Terms and Definitions Used

ACC	Accident Rehabilitation and Compensation Insurance Corporation
HFA	Health Funding Authority
HHS	Hospital and Health Service - publicly owned hospital and associated service
HSP	Health Service Providers

Footnotes

Note 1	Appropriation numbers in Part B are inclusive of GST (where applicable).
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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 (see note 1)

Summary of 1999/2000 Appropriations

Types of Appropriation	Appropriations to be Used				Total Appropriations \$000
	By the Department Administering the Vote		For Non-Departmental Transactions		
	Annual \$000	Other \$000	Annual \$000	Other \$000	
Operating Flows					
Classes of Outputs to be Supplied	58,190	1,868	6,630,849	-	6,690,907
Benefits and Other Unrequited Expenses	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	20,507	-	20,507
Capital Flows					
Capital Contributions	-	-	13,000	-	13,000
Purchase or Development of Capital Assets	-	-	-	-	-
Repayment of Debt	-	-	-	-	-
Total Appropriations for 1999/2000	58,190	1,868	6,664,356	-	6,724,414
Total 1999/2000 Main Estimates Appropriations	54,184	1,406	6,618,773	-	6,674,363

Part B1 - Details of 1999/2000 Appropriations

Appropriations	1999/2000						Purpose of and Reasons for Change in 1999/2000 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 Health and Disability Policy	15,635	-	230	-	15,865	-	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. Increase represents reallocation of resources for sector policy development.
D2 Performance Management	4,947	-	(67)	-	4,880	-	Negotiation, management and monitoring of the Crown's funding of the Health Funding Authority, and the negotiation and monitoring of contracts with specific advisory and sector support service providers. Decrease represents transfer of resources to priority areas in Health Regulation and Protection.
D3 Ministerial Support Services	2,472	-	(426)	-	2,046	-	Provision of responses to ministerial correspondence and parliamentary questions. Decrease represents reallocation of resources to Policy and Health Regulation and Protection.
D4 Health Regulation and Protection	21,233	-	3,943	-	25,176	-	Administration and enforcement of health legislation, including licensing, monitoring, national coordination and technical advice. Increase represents increased resources and funding for Gisborne Cervical Cancer inquiry and increase in third party funded activities.
D5 Occupational Registration	2,041	-	194	-	2,235	-	Servicing and administration of health occupational registration bodies. Increase represents increase in registration fees and number of new registrations received. Function ceased on the 1st of April 2000.
Total Appropriations for Departmental Output Classes (Mode B Gross)	46,328	-	3,874	-	50,202	-	
Departmental Output Classes (Mode B Net)							

D6 Information Services	7,856	1,406	132	462	7,988	1,868	Production and management of health information including databases. Increase represents increased resources to fund new accommodation.
Total Appropriations for Departmental Output Classes (Mode B Net)	7,856	1,406	132	462	7,988	1,868	
Non-Departmental Output Classes							
O1 Personal Health Services: Northern	1,539,671	-	42,707	-	1,582,378	-	<p>Personal health services for the Northern region purchased by the Health Funding Authority (HFA). Increase represents:</p> <ol style="list-style-type: none"> 1. A \$30.380 million transfer to Personal Health Services Northern to fund a projected deficit. 2. Funding of \$7.221 million to reduce waiting lists for elective surgery. 3. Funding of \$2.985 million to cover the projected deficit in illness related pharmaceutical and laboratory costs.
O2 Personal Health Services: Midland	933,634	-	1,976	-	935,610	-	<p>Personal health services for the Midland region purchased by the HFA. Major changes are:</p> <ol style="list-style-type: none"> 1. A decrease of \$5.630 million, being surplus funding not required for current contracts, transferred to other output classes to fund deficits. 2. Increased funding of \$4.455 million to reduce waiting lists for elective surgery. 3. Increased funding of \$1.842 million to cover the projected deficit in illness related pharmaceutical and laboratory costs.

Part B1 - Details of 1999/2000 Appropriations (continued)

Appropriations	1999/2000						Purpose of and Reasons for Change in 1999/2000 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							
O3 Personal Health Services: Central	1,093,671	-	10,805	-	1,104,476	-	Personal health services for the Central region purchased by the HFA. Major changes are: <ol style="list-style-type: none"> 1. A decrease of \$4.500 million, being surplus funding not required for current contracts, transferred to other output classes to fund deficits. 2. Increased funding of \$5.181 million to reduce waiting lists for elective surgery. 3. Increased funding of \$2.142 million to cover the projected deficit in illness related pharmaceutical and laboratory costs. 4. Increased funding of \$6.525 million for Capital Coast Health for costs associated with providing tertiary services.
O4 Personal Health Services: Southern	1,045,872	-	(30,389)	-	1,015,483	-	Personal health services for the Southern region purchased by the HFA. Major changes are: <ol style="list-style-type: none"> 1. Transfer of \$38.250 million to other output classes to fund forecast deficits. 2. Increased funding of \$4.643 million to reduce waiting lists for elective surgery. 3. Increased funding of \$1.919 million to cover the projected deficit in illness related pharmaceutical and laboratory costs.
O5 Disability Support Services: Northern	536,152	-	(16,634)	-	519,518	-	Disability support services for the Northern region purchased by the HFA. . Major changes are: <ol style="list-style-type: none"> 1. A decrease of \$13.500 million, being surplus funding not required for current contracts, transferred to other output classes to fund deficits. 2. A decrease of \$2.694 million due to the delay in compulsory care legislation

O6 Disability Support Services: Midland	324,204	-	(18,793)	-	305,411	-	Disability support services for the Midland region purchased by the HFA. Decrease represents adjustment of appropriations to reflect contracted expenditure. 1. A decrease of \$16.880 million, being surplus funding not required for current contracts, transferred to other output classes to fund deficits. 2. A decrease of \$1.644 million due to the delay in compulsory care legislation.
O7 Disability Support Services: Central	402,637	-	7,799	-	410,436	-	Disability support services for the Central region purchased by the HFA. Major changes are: 1. An increase of \$10.130 million, being surplus funding transferred from other output classes, to fund increases in demand driven residential care costs. 2. A decrease of \$2.004 million due to the delay in compulsory care legislation.
O8 Disability Support Services: Southern	373,934	-	36,085	-	410,019	-	Disability support services for the Southern region purchased by the HFA. Major changes: 1. An increase of \$38.250 million, being surplus funding transferred from other output classes, to fund increases in demand driven residential care costs. 2. A decrease of \$1.861 million due to the delay in compulsory care legislation.
O9 Public Health Service Purchasing	123,345	-	(6,071)	-	117,274	-	Public Health Services Purchased by the HFA and Ministry of Health from HHSs and other public health service providers. Decrease represents: 1. Funding transferred to personal health services to fund specific initiatives such as plunket line and helpline. 2. Expense transfer to 2000/01 for a meningococcal vaccine trial.
O10 Management of Residual Health Liabilities and Crown Health Enterprise Debt	2,024	-	(506)	-	1,518	-	Management of residual area health board liabilities and debt allocated to HHSs. Decrease represents one off savings transferred to fund exchange rate exposure in International Health funding for New Zealand's membership to the World Health Organisation (WHO).
O11 National Advisory and Support Services	1,418	-	-	-	1,418	-	Provision of advisory and support services by independent service providers at a national level.

Part B1 - Details of 1999/2000 Appropriations (continued)

Appropriations	1999/2000						Purpose of and Reasons for Change in 1999/2000 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							
O12 Advice on Food Standards	1,667	-	(300)	-	1,367	-	Purchase of services to support New Zealand's participation in the Australia New Zealand Food Authority. Decrease represents one off savings transferred to fund demand driven inquiries into treatment of Mental Health patients.
O13 Monitoring and Protecting Health and Disability Consumer Interests	11,917	-	300	-	12,217	-	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. Increase represents funding of demand driven inquiries into treatment of Mental Health patients.
O15 Management of Health and Disability Funding	104,625	-	299	-	104,924	-	Purchase of outputs from the HFA to manage health and disability funding. Increase represents administration of specific programmes, such as family start, previously allocated to funding for service purchasing in Personal Health.
O16 Specified Health Payments	108,800	-	-	-	108,800	-	Funding to allow the HFA to fund HHS's for the capital charge levied on the Crown's investment in hospitals.
Total Appropriations for Non-Departmental Output Classes	6,603,571	-	27,278	-	6,630,849	-	
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	1,647	-	506	-	2,153	-	World Health Organization (WHO) and Australian Health Ministers' conference contribution. Increase required due to exchange rate changes to fund New Zealand's full contribution to WHO.

Legal Expenses	2,000	-	3,288	-	5,288	-	Legal claims compensation. Increase is an expense transfer from 1998/99 to provide settlement funding for claims against the Crown.
Provider Development	11,540	-	949	-	12,489	-	Funding for the development of health providers, particularly for the improvement of Māori health. Decrease was to provide funding related to the Cervical Cancer Inquiry in Gisborne.
Registration Boards	-	-	562	-	562	-	Payment of accumulated surpluses to Health Occupational Registration Boards when formed as bodies corporate.
Total Appropriations for Other Expenses to be Incurred by the Crown	15,202	-	5,305	-	20,507	-	
Capital Contributions to Other Persons or Organisations							
Capital Contribution to the Health Funding Authority	-	-	13,000	-	13,000	-	Capital Contribution to the Health Funding Authority for equity investments in PHARMAC and Health Benefits Limited.
Total Appropriations for Capital Contributions to Other Persons or Organisations	-	-	13,000	-	13,000	-	
Total Appropriations	6,672,957	1,406	49,589	462	6,722,546	1,868	

Part F - Crown Revenue and Receipts

Part F1 - Current and Capital Revenue and Receipts

	1999/2000			Explanation of 1999/2000 Crown Revenue
	Main Estimates \$000	Supplementary Estimates \$000	Total Budgeted \$000	
Current Revenue				
Non-Tax Revenue	-	-	-	
ACC - Reimbursement of Work Related Public Hospital Costs	-	1,284	1,284	Accident compensation (ACC) recovery of work-related accident treatment costs incurred by the public health system. Increase represents adjustment of 1998/99 estimate to actual costs.
ACC - Reimbursement of Non-Earners Account	-	124,123	124,123	Accident compensation (ACC) recovery of non-earners accident treatment costs incurred by the public health system. Increase represents estimate of cost recovery not available at time of main estimates.
ACC - Reimbursement of Benefits and Provider Subsidies	-	(124)	(124)	Accident compensation (ACC) recovery of accident treatment costs incurred by the public health system. Decrease represents adjustment of 1998/99 estimate to actual costs.
ACC - Reimbursement of Earners' Non-work-Related Public Hospital Costs	39,136	875	40,011	Accident compensation (ACC) recovery of non-work-related accident treatment costs incurred by the public health system. Increase represents washup for 1998/99 actuals plus a decrease to reflect adjustment for self employed.
ACC - Reimbursement of Motor Vehicle-Related Public Hospital Costs	45,014	(8,661)	36,353	Accident compensation (ACC) recovery of motor vehicle-related accident treatment costs incurred by the public health system. Decrease represents forecast adjustment for 1999/2000 and washup of actual costs for 1998/99.
Repayment of Loan Interest from Private Hospitals and Group Practices	38	-	38	Repayment of loan interest from private hospitals and group practices.
Reimbursement of Capital Charge	3,794	-	3,794	Capital charge reimbursement from the HFA.

Residual Health Management Rental	278	-	278	Rental income from vacated area health board premises that were not taken over by HHSs.
Total Non-Tax Revenue	88,260	117,497	205,757	
Total Current Revenue	88,260	117,497	205,757	
Capital Receipts				
Principal Repayment of Loans to Private Hospitals	74	-	74	Repayment of loan principal from private hospitals and group practices.
Principal loan repayments by Occupational Registration Boards	140	(140)	-	Repayment of principal of loans made to individual Occupational registration bodies corporate. Decrease represents forecast adjustment to recognise that no loans have been granted in 1999/2000.
Total Capital Receipts	214	(140)	74	
Total Crown Revenue and Receipts	88,474	117,357	205,831	