

Vote Health

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Health (M36)

ADMINISTERING DEPARTMENT: Ministry of Health

MINISTER RESPONSIBLE FOR MINISTRY OF HEALTH: Minister of Health

Overview of the Vote

The Minister of Health is responsible for appropriations in the Vote for the 2013/14 financial year totalling nearly \$14,656 million covering the following:

Departmental Operating Appropriations

A total of just over \$191 million (1.3% of the Vote) relates to the functions of the Ministry of Health for: policy advice, administering the purchase of national health services; monitoring the performance of the funders and providers of health and disability services; developing and administering legislation and regulations related to health service facilities, providers and public safety; ministerial servicing; and information services.

Non-Departmental Operating Appropriations

A total of just over \$13,944 million (95.1% of the Vote) is for operating expenses to be incurred on behalf of the Crown and is intended to be spent as follows.

Output Expenses

These total nearly \$13,916 million (95.0% of the Vote) and are to fund the purchases of health services as follows:

- just over \$11,104 million (75.8% of the Vote) to fund health services from DHBs through the DHB appropriations
- just over \$1,103 million (7.5% of the Vote) to purchase national disability support services
- just over \$808 million (5.5% of the Vote) to purchase national health services and provide clinical training for health professionals
- just over \$442 million (3.0% of the Vote) to purchase public health services
- nearly \$179 million (1.2% of the Vote) to purchase primary health care services
- just over \$144 million (1.0% of the Vote) to purchase national maternity services
- \$90 million (0.6% of the Vote) to manage health sector risks, including provision for DHB deficit support, and
- just over \$44 million (0.3% of the Vote) to fund other health and disability services.

Other Expenses Incurred by the Crown

A total of just over \$28 million (0.2% of the Vote) is for other expenses to fund provider development, legal expenses, and international health obligations including World Health Organisation (WHO) membership.

Capital Expenditure

A total of just over \$520 million (3.6% of the Vote) is to provide Capital funding and will be spent as follows:

- just over \$490 million (3.3% of the Vote) is to provide debt or equity for district health boards or Health Sector Crown Agencies to cover new investments or for other purposes agreed by the Crown, including balance sheet restructuring, or to invest in specific health sector assets
- \$15 million (0.1% of the Vote) is to provide interest-free loans to assist people in long-term care, and
- just over \$15 million (0.1% of the Vote) is to purchase or develop assets for use by the Ministry of Health.

Details of these appropriations are set out in Parts 2-6 for Vote Health in the *Information Supporting the Estimates of Appropriations*.

Details of Appropriations

Details of Annual and Permanent Appropriations

| Titles and Scopes of Appropriations by Appropriation Type | 2012/13 | | 2013/14 |
|---|-------------------|------------------------------|------------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Departmental Output Expenses | | | |
| <i>Information and Payment Services MCOA (M36)</i> | 76,588 | 72,568 | 79,939 |
| <i>Health Sector Information Systems</i> This appropriation is limited to the provision of information technology services and the publication of data derived from these services to the health and disability system. | 54,835 | 50,815 | 58,481 |
| <i>Payment Services</i> This output class is limited to the administration and audit of contracts and payments on behalf of the Crown and Crown agencies. | 21,753 | 21,753 | 21,458 |
| <i>Managing the Purchase of Services (M36)</i> | 27,832 | 27,832 | 29,050 |
| This appropriation is limited to purchasing services for the public and health and disability sector on behalf of the Crown, for those services where the Ministry has responsibility for the purchasing function (ie, funding is not devolved to another entity). | | | |
| <i>Policy Advice and Ministerial Servicing MCOA (M36)</i> | 16,935 | 16,935 | 15,806 |
| <i>Ministerial Servicing</i> This output class is limited to the provision of services to Ministers to enable them to discharge their portfolio responsibilities other than policy decision-making. | 3,605 | 3,605 | 3,318 |
| <i>Policy Advice</i> This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters. | 13,330 | 13,330 | 12,488 |
| <i>Regulatory and Enforcement Services (M36)</i> | 23,511 | 23,511 | 26,107 |
| This appropriation is limited to implementing, enforcing and administering health- and disability-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees established under statute or appointed by the Minister pursuant to legislation. | | | |
| <i>Sector Planning and Performance (M36)</i> | 38,048 | 37,048 | 40,325 |
| This appropriation is limited to advising on and co-ordinating health sector planning and performance improvement; and funding, monitoring, and supporting the governance of, health sector Crown entities, and sector co-ordination. | | | |
| Total Departmental Output Expenses | 182,914 | 177,894 | 191,227 |
| Non-Departmental Output Expenses | | | |
| <i>Health and Disability Support Services - Auckland DHB (M36)</i> | 1,051,169 | 1,051,169 | 1,068,598 |
| Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Auckland DHB. | | | |
| <i>Health and Disability Support Services - Bay of Plenty DHB (M36)</i> | 584,799 | 584,799 | 593,556 |
| Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Bay of Plenty DHB. | | | |
| <i>Health and Disability Support Services - Canterbury DHB (M36)</i> | 1,221,996 | 1,221,996 | 1,218,559 |
| Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Canterbury DHB. | | | |

| Titles and Scopes of Appropriations by Appropriation Type | 2012/13 | | 2013/14 |
|--|-------------------|------------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| <i>Health and Disability Support Services - Capital and Coast DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Capital and Coast DHB. | 643,567 | 643,567 | 661,037 |
| <i>Health and Disability Support Services - Counties-Manukau DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Counties-Manukau DHB. | 1,174,776 | 1,174,776 | 1,203,381 |
| <i>Health and Disability Support Services - Hawkes Bay DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Hawkes Bay DHB. | 419,231 | 419,231 | 430,355 |
| <i>Health and Disability Support Services - Hutt DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Hutt DHB. | 342,329 | 342,329 | 346,019 |
| <i>Health and Disability Support Services - Lakes DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Lakes DHB. | 268,519 | 268,519 | 272,759 |
| <i>Health and Disability Support Services - MidCentral DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from MidCentral DHB. | 442,502 | 442,502 | 447,614 |
| <i>Health and Disability Support Services - Nelson-Marlborough DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Nelson-Marlborough DHB. | 359,088 | 359,088 | 367,526 |
| <i>Health and Disability Support Services - Northland DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Northland DHB. | 465,674 | 465,674 | 474,887 |
| <i>Health and Disability Support Services - South Canterbury DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from South Canterbury DHB. | 156,166 | 152,166 | 160,922 |
| <i>Health and Disability Support Services - Southern DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Southern DHB. | 743,005 | 743,005 | 758,005 |
| <i>Health and Disability Support Services - Tairāwhiti DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Tairāwhiti DHB. | 137,348 | 137,348 | 141,224 |
| <i>Health and Disability Support Services - Taranaki DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Taranaki DHB. | 290,890 | 290,890 | 296,026 |
| <i>Health and Disability Support Services - Waikato DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Waikato DHB. | 953,154 | 949,154 | 977,884 |
| <i>Health and Disability Support Services - Wairarapa DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Wairarapa DHB. | 116,006 | 116,006 | 119,191 |
| <i>Health and Disability Support Services - Waitemata DHB (M36)</i> Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Waitemata DHB. | 1,217,924 | 1,217,924 | 1,252,792 |

| Titles and Scopes of Appropriations by Appropriation Type | 2012/13 | | 2013/14 |
|---|-------------------|------------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Non-Departmental Output Expenses - cont'd | | | |
| <i>Health and Disability Support Services - West Coast DHB (M36)</i> | 114,610 | 114,610 | 116,046 |
| Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from West Coast DHB. | | | |
| <i>Health and Disability Support Services - Whanganui DHB (M36)</i> | 195,703 | 195,703 | 197,978 |
| Funding of personal and mental health services including services for the health of older people, provision of hospital and related services and management outputs from Whanganui DHB. | | | |
| <i>Health Services Funding (M36)</i> | 7,911 | - | 90,222 |
| Funding to respond to emerging health sector risks, provision for DHB structural deficit support, and contingency funding for Government priority health policy initiatives. | | | |
| <i>Health Workforce Training and Development (M36)</i> | 171,227 | 161,227 | 173,495 |
| This appropriation is limited to provision of clinical training for doctors, nurses, dentists and other health professionals, and Voluntary Bonding Scheme claims. | | | |
| <i>Monitoring and Protecting Health and Disability Consumer Interests (M36)</i> | 12,870 | 12,870 | 26,596 |
| 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. | | | |
| <i>National Advisory and Support Services (M36)</i> | 340 | 340 | 340 |
| Provision of advisory and support services by independent service providers. | | | |
| <i>National Child Health Services (M36)</i> | 82,146 | 82,146 | 80,482 |
| For the funding and purchase of child health services directly by the Crown. | | | |
| <i>National Contracted Services - Other (M36)</i> | 132,232 | 122,232 | 28,846 |
| This appropriation is limited to the purchase of other services directly by the Crown to support the health and disability services sector, including the national management of pharmaceuticals, and health research. | | | |
| <i>National Disability Support Services (M36)</i> | 1,046,356 | 1,036,356 | 1,103,234 |
| Delivery of disability support services provided through DHBs and third-party service providers. | | | |
| <i>National Elective Services (M36)</i> | 277,888 | 267,888 | 277,406 |
| Funding for the purchase of additional elective surgery services. | | | |
| <i>National Emergency Services (M36)</i> | 91,121 | 91,121 | 93,009 |
| For the funding and purchase of health emergency services directly by the Crown. | | | |
| <i>National Māori Health Services (M36)</i> | 5,660 | 3,660 | 7,635 |
| For the funding and purchase of Māori health services directly by the Crown. | | | |
| <i>National Maternity Services (M36)</i> | 147,129 | 147,129 | 144,212 |
| For the funding and purchase of maternity services directly by the Crown. | | | |
| <i>National Mental Health Services (M36)</i> | 31,613 | 31,613 | 59,927 |
| For the funding and purchase of mental health services directly by the Crown. | | | |
| <i>National Personal Health Services (M36)</i> | - | - | 93,921 |
| This appropriation is limited to personal healthcare and support services purchased directly by the Crown, including mobile surgical services, telephone and online advice services, hospice services, sexual and reproductive health services, and services associated with the implementation of the Oral Health and Cancer Control Strategies. | | | |
| <i>Primary Health Care Strategy (M36)</i> | 175,956 | 175,956 | 178,936 |
| This appropriation is limited to services to implement and deliver the Primary Health Care Strategy. | | | |

| | 2012/13 | | 2013/14 |
|--|-------------------|------------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Titles and Scopes of Appropriations by Appropriation Type | | | |
| <i>Problem Gambling Services (M36)</i> | 18,874 | 16,874 | 17,739 |
| Funding to support the research and implementation of strategies to prevent and minimise the harm from gambling, and for the provision of treatment services to problem gamblers and assistance to their families and whānau in accordance with the Gambling Act 2003. | | | |
| <i>Public Health Service Purchasing (M36)</i> | 384,080 | 377,080 | 434,559 |
| Public Health Services funded by the Ministry of Health from DHBs and other public health service providers. | | | |
| Total Non-Departmental Output Expenses | 13,483,859 | 13,416,948 | 13,914,918 |
| Non-Departmental Other Expenses | | | |
| <i>International Health Organisations (M36)</i> | 1,560 | 1,560 | 2,030 |
| Funding for New Zealand's membership to the World Health Organisation (WHO), and the contribution to specific WHO projects. | | | |
| <i>Legal Expenses (M36)</i> | 1,870 | 1,870 | 1,028 |
| Funding for the defence and settlement of legal claims against the Crown. | | | |
| <i>Provider Development (M36)</i> | 24,990 | 21,990 | 25,414 |
| Funding support and provide assistance for the development of the third party health service workforce, in particular, Māori and Pacific people's providers. | | | |
| Total Non-Departmental Other Expenses | 28,420 | 25,420 | 28,472 |
| Departmental Capital Expenditure | | | |
| <i>Ministry of Health - Capital Expenditure PLA (M36)</i> | 12,740 | 12,740 | 15,000 |
| This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Health, as authorised by section 24(1) of the Public Finance Act 1989. | | | |
| Total Departmental Capital Expenditure | 12,740 | 12,740 | 15,000 |
| Non-Departmental Capital Expenditure | | | |
| <i>Equity for Capital Projects for DHBs and Health Sector Crown Agencies (M36)</i> | 95,258 | 84,004 | 452,289 |
| Capital contributions to District Health Boards and health sector Crown agencies to cover new investments and reconfiguration of their balance sheets. | | | |
| <i>Health Sector Projects (M36)</i> | 76,000 | 10,300 | 8,065 |
| Capital investment in specific health sector assets. | | | |
| <i>Loans for Capital Projects (M36)</i> | 279,344 | 165,434 | 30,000 |
| Provision of new loans to DHBs for the purpose of facilities redevelopment and other purposes agreed by the Crown including balance sheet reconfiguration. | | | |
| <i>Residential Care Loans - Payments (M36)</i> | 15,000 | 15,000 | 15,000 |
| Funding to provide interest-free loans to people entering into aged residential care facilities. | | | |
| <i>Deficit Support for DHBs (M36)</i> | 47,350 | 47,350 | - |
| This appropriation is limited to equity injections to District Health Boards to address deficits. | | | |
| <i>Refinance of DHB Private Debt (M36)</i> | 28,000 | 28,000 | - |
| Provision of funding to DHBs to replace their current debts held by private banking institutions as they become due for refinancing. | | | |
| Total Non-Departmental Capital Expenditure | 540,952 | 350,088 | 505,354 |
| Total Annual and Permanent Appropriations | 14,248,885 | 13,983,090 | 14,654,971 |

Details of Projected Movements in Departmental Net Assets

Ministry of Health

| Details of Net Asset Schedule | 2012/13 Estimated Actual \$000 | 2013/14 Projected \$000 | Explanation of Projected Movements in 2013/14 |
|---|---|-------------------------------|---|
| Opening Balance | 34,080 | 34,080 | |
| Capital Injections | - | - | |
| Capital Withdrawals | - | - | |
| Surplus to be Retained (Deficit Incurred) | - | - | |
| Other Movements | - | - | |
| Closing Balance | 34,080 | 34,080 | |