

State Budget: Alcohol and Drug funding – a move in the right direction

The Victorian Alcohol and Drug Association (VAADA) welcomes the additional funding allocation to the Victorian alcohol and other drug (AOD) sector.

This allocation of \$9 million annually over the next four years is pivotal for the ongoing sustainability of the AOD treatment sector over this intense period of sector reform.

Mr Sam Biondo, Executive Officer, VAADA, says, ‘this new allocation is a step in the right direction and treatment agencies will make strong inroads in reducing the AOD death toll. The investment in treatment services is cost effective and far less a burden than more expensive health services such as ambulances and hospitals, or the ever expanding and expensive prison system’.

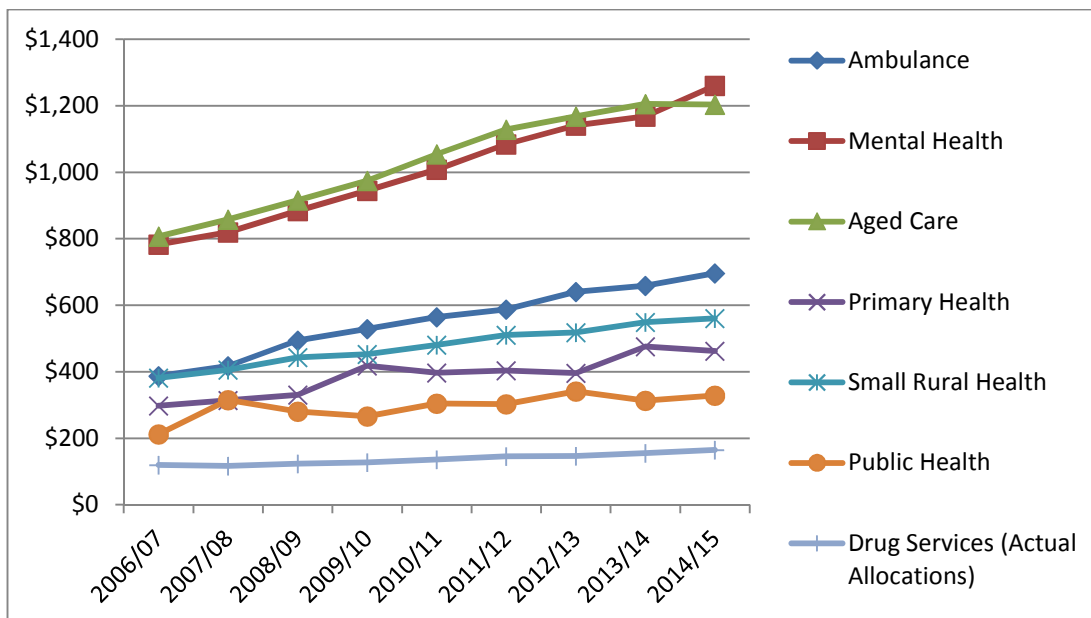
Mr Biondo continues, ‘International studies indicate that AOD treatment is highly cost effective and can reduce the burden on more expensive and often acute health service systems; the significant increase in prison expenditure could be partially offset by a far more modest increase in AOD funding’.

VAADA commends the Victorian Government on the implementation of a residential program to support mothers experiencing AOD issues to receive treatment and retain their parenting role.

Mr Biondo says, ‘providing treatment for mothers with AOD issues is a complex issue; mothers with children experiencing AOD dependency are a highly vulnerable cohort and may, for a range of reasons, be reluctant to access treatment. It is anticipated that this initiative will address some of these challenges’.

Although the additional funding will have a positive impact on the sector, the effects of chronic long term underfunding will continue to have an enduring impact upon waiting times, access to rehabilitation beds, and timely access to counselling and supports.

The chart below, based on Government budget figures, details the historic funding outlay (millions) to the various streams under health. As can be seen alcohol and other drugs experience a near flatline funding when compared with other state funded health sectors.



Alcohol and other Drug treatment services have consistently experienced the smallest financial growth coupled with a small base when compared with other health areas. It is hoped that this year's funding allocation establishes the basis for continued investment in this vital sector.

VAADA is the peak body that represents over 100 Alcohol and other Drug services across Victoria. On a daily basis these services are dealing with the effects of harmful alcohol and other drug consumption.

For more information or to arrange an interview please contact Sam Biondo on 0414 974 121 for comment or if unavailable, David Taylor on 0413 914 206.

06 May 2014

Job-creating Budget will help combat unemployment

‘Today’s big-spending state budget will help create jobs in Victoria’s sluggish economy, helping to reduce the harm of rising unemployment in the State’, today said Emma King, CEO of the Victorian Council of Social Service.

‘In this election year, it is pleasing to see that the Victorian Government has loosened the purse-strings to unleash the public spending required to support employment growth and turn around Victoria’s unemployment rate.’

‘This Budget delivers a range of big infrastructure programs that will create jobs and drive the economy, but there is more work to do to outline long-term strategy so all Victorians can share in the opportunities of living in a prosperous society. The forecast surplus in the coming year shows there is room to build on this Budget and invest in the essential services that help people overcome disadvantage.’

‘This Budget supports the view that high public spending is the correct antidote to a slow economy. We agree. We need to build on these commitments to invest in the service required to enable every Victorian to participate in our community, building a Victoria without poverty.’

Education and early childhood

VCOSS welcomes investment in early childhood services, the construction of new schools and a significant investment in support for students with disabilities. However, we are concerned at large reductions in expenditure on student support services in the coming year, and a significant fall in higher education and skills, with projected falls in VET student numbers.

Next year, there is no replacement for the loss of the Education Maintenance Allowance, meaning over 200,000 Victorian students will start school without the current levels of assistance to buy books, uniforms and the technology they need.

Health

VCOSS is pleased to see investment directed at mental health, and alcohol and drug treatment, which are two pressing health issues facing people experiencing disadvantage. We also welcome the health infrastructure investment, particularly in regional areas. Two specific initiatives we are pleased to see in the Budget include the mums and babies withdrawal unit and the additional funding for the Victorian Patient Transport Assistance Scheme.

Transport

This budget has addressed some critical public transport needs to expand the capacity of the rail network. This investment in infrastructure will also provide job opportunities for Victorians. It is disappointing that this has not been accompanied by additional bus services, costing a fraction of the price.

Justice

Today's budget announces \$447 million to expand our prison population. VCOSS believes this investment should be redirected to early intervention and prevention to address offending behavior and keep the community safe.

A positive initiative is the continued funding of the Youth Support Service, which will help divert young people from the justice system.

Housing

This Budget commits the Victorian Government to a further 4 years of the National Partnership Agreement on Homelessness. We call on the Federal Government to immediately match this in next week's Federal Budget.

We recognise the significant investment into refurbishing and maintaining existing public housing stock as part of the Government's social housing framework. However, we note that it has not been accompanied by investment for growth.

Next steps

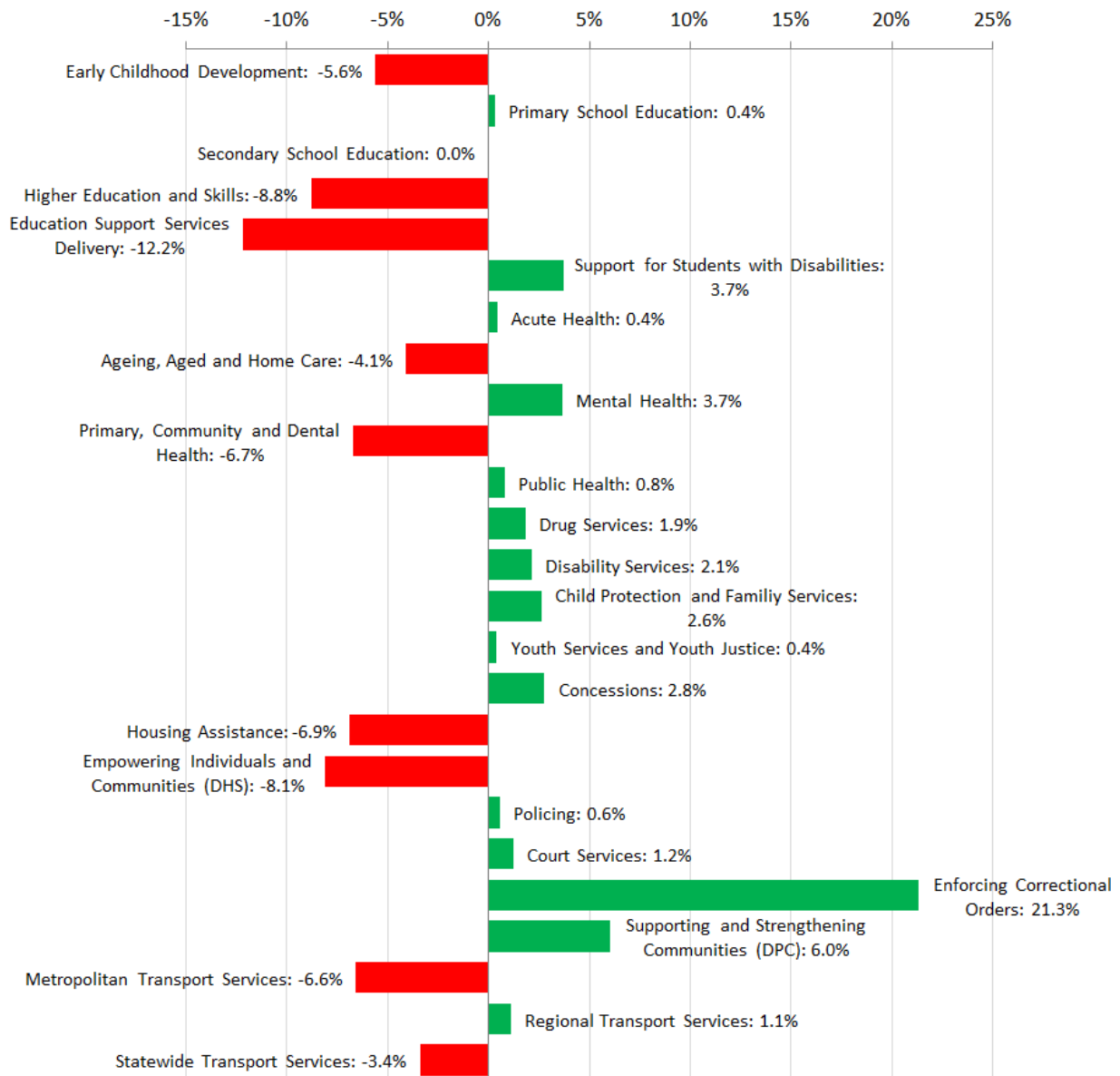
In the lead up to November's election, the Government will need to build on today's Budget with more announcements that invest in giving people the best opportunity to participate in opportunities, so we can build a Victoria without poverty.

VCOSS will be continuing its Budget analysis, and will provide further comment.

Real Effective Change Table

The following shows the change in real expenditure per capita for selected expenditure areas (i.e. the budget figures have been adjusted for population growth and inflation).

Real Effective Change Table



Notes: This table does not include the Early Childhood National Partnership Agreement, or the Commonwealth contribution to the National Partnership on Homelessness.

**For more information, or to arrange an interview with Emma King,
contact John Kelly on 0418 127 153**

Changes to the output structure

The Department has made no changes to its output structure for 2014-15.

Table 2.8 summarises the Department's total output cost.

Table 2.8: Output summary

(\$ million)				
	2013-14	2013-14	2014-15	Variation ^{(a) (b)}
	Budget	Revised	Budget	%
Acute Health Services ^(c)	9 836.0	9 830.3	10 275.3	4.5
Ambulance Services ^(d)	661.9	658.5	696.5	5.2
Mental Health ^(e)	1 203.2	1 168.2	1 260.6	4.8
Ageing, Aged and Home Care ^(f)	1 216.1	1 206.0	1 203.7	-1.0
Primary, Community and Dental Health ^(g)	420.9	476.0	462.3	9.8
Small Rural Services	534.0	548.6	560.2	4.9
Public Health ^(h)	319.3	313.3	328.8	3.0
Drugs Services	153.5	155.7	165.1	7.6
Total	14 344.9	14 356.6	14 952.5	4.2

Source: Department of Health

Notes:

- (a) Variation between 2013-14 budget and 2014-15 budget.
- (b) The movement in the Department of Health's 2014-15 budget compared with the 2013-14 budget are primarily due to:
- funding provided for Government policy commitments including the full-year effect of initiative funding announced in previous years budgets;
 - output price increases arising from price escalation for anticipated cost increases;
 - output price increases for depreciation and capital asset charge costs associated with the approved asset investment program for 2014-15;
 - output price decreases arising from Government savings announced in 2013-14 Budget Update and the full-year effect of efficiencies announced in previous years budgets; and
 - changes to Commonwealth funding across a number of programs.
- (c) 2014-15 budget reflects funding for implementation of policy initiatives announced in previous and current budgets.
- (d) The higher 2014-15 budget reflects funding for implementation of policy initiatives announced in the previous and current budgets.
- (e) The higher 2014-15 budget reflects the impact of the social and community services pay equity case and funding for implementation of policy initiatives announced in previous and current budgets and increased contributions from membership. The 2013-14 expected outcome reflects a decrease in Commonwealth funding for the Expanding Early Psychosis Prevention and Intervention Centre Models and changes in carryover.
- (f) The lower 2014-15 budget reflects changes to Residents and Nursing Home contributions and the impact of previously announced changes.
- (g) 2014-15 budget reflects increase in funding for implementation of policy initiatives announced in this budget and the impact of the social and community services pay equity case, along with changes to Commonwealth funding.
- (h) 2014-15 budget reflects adjustments to the National Partnership Agreement on Essential Vaccines.

Amounts available

The following tables detail the amounts available to the Department from Parliamentary authority and income generated through transactions.

Table 2.9 outlines the Department's income from transactions and Table 2.10 summarises the sources of Parliamentary authority available to the Department to fund the provision of outputs, additions to net asset base and payments made on behalf of the State.

Public Health

Anzac centenary 'Lest we Forget' grants

Grants funding is provided to cemetery trusts to commemorate the valued contribution and sacrifice of Anzac service personnel who fought and died in World War I.

This initiative contributes to the Department of Health's Health Advancement output.

Drugs Services

Tackling ice and other drug use

Drug treatment services will be expanded at targeted locations to treat more than 2 000 people each year and support more effective education and treatment responses.

This initiative contributes to the Department of Health's Drug Treatment and Rehabilitation output.

Other

Social and Community Services Equal Remuneration Order

Support will continue for community service organisations to meet the wage increase from the Fair Work Australia Equal Remuneration Order in the Social and Community Services pay equity case in 2014-15. This funding is in addition to the \$200 million announced in the *2011-12 Budget* which was provided to the departments of Human Services, Health, Justice and Education and Early Childhood Development.

This initiative contributes to the Department of Health's:

- Non-Admitted Services output;
- Aged Support Services output;
- Community Health Care output;
- Mental Health Community Support Services output;
- Health Protection output;
- Drug Treatment and Rehabilitation output;
- Drug Prevention and Control output; and
- Small Rural Services – Primary Health output.

DEPARTMENT OF HEALTH

The 2014-15 financial year represents the first year of full implementation of the National Health Reform Agreement (NHRA). The NHRA provides the basis for determining the level of Commonwealth matching funding, which is calculated on the level of activity delivered by the State. Under the agreement, the Commonwealth provides new funding for growth in activity consistent with a national efficient price (NEP) each year. The level of hospital activity is determined by the State, with funding and activity targets set through the annual budget process. The actual level of Commonwealth matching funding for any year is not known until after the completion of the year, based on actual level of activity delivered.

Output initiatives

Table 1.7: Output initiatives – Health

	(\$ million)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Acute Health Services					
Addressing violence against women and children	..	0.3	0.3	..	..
Boosting elective surgery capacity ^(a)	..	45.4	46.8	48.2	49.7
Enhancing access to health services for rural and regional Victorians – VPTAS	..	3.3	3.4	3.5	3.6
Health services winter demand capacity enhancement	..	60.0	..	..	..
Improving bariatric patient care and access to services	..	1.8	1.8	2.2	2.2
Responding to patient demand growth ^(a)	..	179.4	183.8	188.4	193.1
Ageing, Aged and Home Care					
Delivering care in the home	..	5.0	5.1	5.3	5.4
Ambulance Services					
Responding to ambulance service growth	..	6.6	..	..	..
Mental Health					
Housing support for people with a mental illness	..	1.0	1.0	1.1	1.1
Mental health demand management for complex and longer stay patients ^(a)	..	9.5	18.2	22.0	22.7
Prevention and recovery care units	..	5.1	5.2	5.3	5.5

	2013-14	2014-15	2015-16	2016-17	2017-18
Primary, Community and Dental Health					
Improving health outcomes for at risk pregnant women and their babies	..	2.5	2.5	2.6	2.6
National diabetes syringe scheme		1.0	1.2	1.5	1.8
Public Health					
Anzac centenary 'Lest we Forget' grants	..	0.2	..	..	..
Drug Services					
Tackling ice and other drug use ^(a)	..	7.5	7.6	7.8	8.0
Other					
Social and Community Services Equal Remuneration Order ^(b)	..	2.9	..	..	..
Sub total output initiatives	..	331.3	277.1	287.9	295.8
Existing resources ^(c)	..	(1.2)	(1.2)	(1.5)	(1.8)
Total output initiatives	..	330.2	275.9	286.4	293.9

Source: Department of Treasury and Finance

Note:

- (a) This initiative contributes to activity that attracts Commonwealth funding under the National Health Reform Agreement. Estimates of the Commonwealth's contribution are included.
- (b) This funding is in addition to the \$200 million announced in the 2011-12 Budget which was provided to the departments of Human Services, Health, Justice and Education and Early Childhood Development.
- (c) Existing departmental resources have been reallocated to contribute to the delivery of new initiatives.

Acute Health Services

Addressing violence against women and children

Funding is provided for emergency departments to develop quality protocols, tools and data collection to better identify, respond and intervene early in instances of family violence and sexual assault.

This initiative contributes to the Department of Health's Emergency Services output.

Boosting elective surgery capacity

An additional pool of funding will be allocated on a competitive basis to drive efficiencies in elective surgery, meet increasing levels of demand and treat more Victorian elective surgery patients sooner.

This initiative contributes to the Department of Health's Admitted Services output.

Enhancing access to health services for rural and regional Victorians – VPTAS

Additional funding will be provided to expand Victorian Patient Transport Assistance Scheme (VPTAS) support. The program provides travel and accommodation services for rural Victorians who require specialised care at metropolitan or larger regional services. The funding will meet expected growth in activity and increase the level of subsidies.

This initiative contributes to the Department of Health's Admitted Services output.

Drugs Services

Drugs Services outputs include programs and services aimed at promoting and protecting health by reducing death, disease and social harm caused by the use and misuse of licit and illicit drugs.

Major Outputs/Deliverables Performance measures	Unit of measure	2014-15 Target	2013-14	2013-14	2012-13
			Expected Outcome	Target	Actual

Drug Prevention and Control

Encourages all Victorians to minimise the harmful effects of illicit and licit drugs, including alcohol, by providing a comprehensive range of strategies, which focus on enhanced community and professional education, targeted prevention and early intervention, and the use of effective regulation.

<i>Quantity</i>					
Contacts through Family Drug Help	number	5 000	5 200	5 000	5 801
Licences and permits issued to health services or businesses for the manufacture, use or supply of drugs and poisons	number	1 425	1 425	1 380	1 375
<i>The higher 2014-15 target reflects increased demand.</i>					
Needles and syringes provided through the Needle and Syringe Program	number (000)	8 800	9 200	8 800	8 935
Number of telephone, email, website contacts and in person responses to queries and requests for information on alcohol and drug issues (through the Australian Drug Foundation)	number	450 000	450 000	450 000	3 991
Treatment permits issued to medical practitioners or nurse practitioners to prescribe Schedule 8 drugs, including pharmacotherapy	number	54 000	54 340	40 700	38 789
<i>The 2013-14 expected outcome is higher than the 2013-14 target due to the greater number of applications received from prescribers for permits.</i>					
<i>The higher 2014-15 target reflects the effect of increased demand from prescribers for permits.</i>					
<i>Quality</i>					
Pharmacotherapy permits processed within designated timeframe	per cent	100	97	100	96

Major Outputs/Deliverables Performance measures	Unit of measure	2014-15 Target	2013-14 Expected Outcome	2013-14 Target	2012-13 Actual
Cost					
Total output cost	\$ million	28.6	28.1	28.1	28.4
<i>The higher 2014-15 target reflects changes in the attribution of overheads and the impact of the social and community services pay equity case.</i>					

Drug Treatment and Rehabilitation

Assists the community and individuals to control and reduce the harmful effects of illicit and licit drugs, including alcohol, in Victoria through the provision of community-based non-residential and residential treatment services, education and training, and support services.

Quantity					
Clients on the pharmacotherapy program	number	14 000	14 000	13 000	13 997
<i>The 2013-14 expected outcome is higher than the 2013-14 target due to increased demand.</i>					
<i>The higher 2014-15 target reflects the effect of pharmacotherapy reforms implemented in 2014.</i>					
Commenced courses of treatment: community-based drug treatment services	number	6 455	44 000	37 905	50 942
<i>The lower 2014-15 target reflects the effect of introducing the new performance measure 'Number of Drug Treatment Activity Units' as part of changes in the Drug treatment funding model, which now reflects activity previously picked up in this measure.</i>					
Commenced courses of treatment: residential-based drug treatment services	number	6 062	6 500	6 062	5 968
<i>The 2013-14 expected outcome is higher than the 2013-14 target due to an increase in demand for residential drug treatment services.</i>					
Number of Drug Treatment Activity Units (DTAUs)	number	67 394	nm	nm	nm
<i>New performance measure for 2014-15 to reflect Government priorities regarding the reform of Drug Treatment Services.</i>					
Number of new residential withdrawal clients	number	2 200	2 300	2 200	2 200
Residential bed days	number	107 310	107 310	107 310	176 055
Quality					
Percentage of new clients to existing clients	per cent	50	48	50	51
Percentage of residential rehabilitation courses of treatment greater than 65 days	per cent	50	40	50	50
<i>The 2013-14 expected outcome is lower than the 2013-14 target due to a recent downward trend in the number of clients engaging in residential rehabilitation for greater than 65 days. Targets for duration of stay and the appropriateness of models of care are being considered as part of residential treatment reforms.</i>					

Major Outputs/Deliverables <i>Performance measures</i>	<i>Unit of measure</i>	<i>2014-15 Target</i>	<i>2013-14 Expected Outcome</i>	<i>2013-14 Target</i>	<i>2012-13 Actual</i>
Successful courses of treatment (episodes of care): community-based drug treatment services	number	5 868	34 897	34 897	46 636
<i>The lower 2014-15 target reflects the effect of introducing the new performance measure 'Number of Drug Treatment Activity Units (DTAUs)' as part of changes in the Drug treatment funding model, which now reflects activity previously picked up in this measure.</i>					
Successful courses of treatment (episodes of care): residential-based drug treatment services	number	5 636	5 636	5 636	5 023
Trained Alcohol and drug workers	per cent	85	85	85	67
<i>Timeliness</i>					
Average working days between screening of client and commencement of community-based drug treatment	days	3	3	3	0.9
Average working days between screening of client and commencement of residential-based drug treatment	days	6	6	6	4.8
<i>Cost</i>					
Total output cost	\$ million	136.5	127.6	125.4	119.4
<i>The higher 2014-15 target reflects funding for tackling ice and other drug use, the cost of delivering services and the impact of the social and community services pay equity case.</i>					

Source: Department of Health