

PRESS RELEASE

23/5/2023

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State Budget delivers carefully balanced budget to an AOD system on a tightrope

The 2023/24 Victorian state budget is a steady no frills budget that extends funding for some residential services in the short term, provides an uplift in opioid pharmacotherapy support, workforce training and progresses the public intoxication reforms.

The Victorian Alcohol and Drug Association (VAADA) acknowledges that this budget provides a level of surety for the AOD sector at a time when the state is facing unprecedented levels of debt.

The government is to be commended for committing \$372.4M to the AOD sector.

The 2023/24 Victorian state budget includes an additional \$51.2M in 2023/24 which provides for the following items:

- Ongoing support for existing residential rehabilitation and withdrawal beds
- An additional \$9.989M over the next two years to provide additional support for nine opioid pharmacotherapy clinics in metropolitan and regional Victoria, which also includes surge support, clinical supervision, education, and mentoring
- \$10M over two years to support 84 new AOD trainee positions
- The continuation of AOD outreach in the CBD through the City Health Service
- Expansion of the U-Turn program in the Hume region

The government has also committed \$2M for a rehabilitation and support service for Victorian workers which increases to \$5M annually for the financial years 2024/25 and 2025/26.

The Budget has also locked in \$25.4M in 2023/24 for the public intoxication reforms, which will become live later this year. A further \$53.4M is allocated over the financial years of 2024/25 and 2025/26.

We are awaiting confirmation on projects that have been put on hold but anticipate that this may include last year's announcement for a residential rehabilitation facility in Mildura.

The Budget papers acknowledge the impact of the pandemic on AOD treatment services, attributing increases in wait times to COVID-19.

Mr Sam Biondo, Executive Officer of VAADA says, 'Overall this is an acceptable budget in light of the adverse financial circumstances currently facing Victoria. Well supported AOD treatment services amounts to a cost saving for the state, with AOD treatment providing a return on investment of \$8 for each dollar spent; this is realised through reducing acute health expenditure such as emergency department and paramedic demand as well as law and order responses.'

'While we await specific detail on these initiatives, the workforce and opioid pharmacotherapy line items are most welcome as is the ongoing funding for residential services. Victoria's teetering pharmacotherapy system, which supports over 15,000 Victorians, could be unravelled by the retirement of a small number of

general practitioners. It is of great concern that the health and wellbeing of thousands of Victorians hinges on the continued practice of a small number of GPs.'

VAADA looks forward to working with the sector and government in progressing these budgeted initiatives.

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

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Media stories on alcohol and other drugs may be traumatic for some people. Support is available and we ask that media agencies consider publishing the details below:

If this story has raised issues about your own or others drug and alcohol use, please contact the national hotline for confidential counselling and referral on 1800 250 015

VAADA is the peak body that represents over 80 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.



Challenging road ahead after “mixed bag” Victorian budget

Victoria has delivered a lean and challenging budget, signalling tough times for many people, according to the Victorian Council of Social Service.

The budget has dramatically curbed spending in key areas, such as employment support. The Community Connectors program, which links vulnerable Victorians to health and social supports, has been cut entirely. A series of low-income electricity concessions have also been scrapped.

“This budget certainly lacks the big spending investments of recent years,” VCOSS CEO Emma King said.

New revenue measures to repay COVID-era debts have been squarely targeted at businesses, investors and higher-income earners, with lower-income and more vulnerable Victorians spared the pain.

So-called “efficiency dividends” facing government departments will have flow-on effects for social service bodies. Ms. King said many now face the tough challenge of keeping staff and delivering critical services with less money.

“That will prove impossible for some,” she said.

But VCOSS has identified some positive measures in the budget papers.

- **Aboriginal care**
There’s an historic \$140m investment in out-of-home care services, which will empower Aboriginal people and community-led organisations to take the lead in delivering key family supports.
- **Housing**
More than \$100m has been allocated to expand the delivery of Housing First models to address homelessness.
- **Flood recovery**
\$347.5m this year to support genuine and long-term recovery for flood-affected communities (including mental health supports).
- **Engaging young people**
more than \$5m to assist teenagers to stay connected to school (currently about 10,000 Victorian school students drop out each year) and \$1.9m for an Engaging At-Risk Youth Program, to promote school engagement or re-engagement for African and Pasifika young people.

- **Disability advocacy**
Boost funding for disability advocacy will be maintained for a further year.
- **Early intervention**
More than \$670m will be spent on health and social inclusion measures, under the government's broad-ranging Early Intervention Investment Fund.

"These are some of the bright spots in a tough budget," Ms. King said.

The budget includes \$20m to increase baseline community sector funding by 3.3%. While this is less than what's required to keep pace with surging costs and increasing demand, it's a critical and welcome down payment on further support. VCOSS remains hopeful of greater commitments in the near future.

VCOSS will advocate on behalf of people in poverty and the organisations who support them, to minimise the impacts of this challenging period in the budget cycle.

vcoss.org.au/vicbudget

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Output summary by departmental objectives

The Department's outputs and funding are provided in the table below. Detailed descriptions of objectives and outputs, together with their key performance indicators, are presented in subsequent tables.

	(\$ million)			
	2022-23 budget	2022-23 revised	2023-24 budget	Variation ^(a) %
Victorians are the healthiest people in the world				
Admitted Services	13 802.6	14 395.3	14 438.8	4.6
Non-Admitted Services	2 189.7	2 248.8	2 223.0	1.5
Emergency Services	882.0	924.7	965.7	9.5
Health Workforce Training and Development	439.9	497.1	440.3	0.1
Residential Aged Care	439.5	429.7	454.3	3.4
Aged Care Assessment	59.7	60.9	60.4	1.1
Aged Support Services	67.6	68.5	67.7	0.1
Home and Community Care Program for Younger People	189.7	201.5	192.9	1.7
Ambulance Emergency Services	1 212.8	1 212.7	1 263.9	4.2
Ambulance Non-Emergency Services	180.0	191.5	183.7	2.0
Drug Prevention and Control	40.8	40.7	41.3	1.3
Drug Treatment and Rehabilitation	272.5	298.4	331.1	21.5
Mental Health Clinical Care	2 594.7	2 520.5	2 736.2	5.5
Mental Health Community Support Services	155.2	164.3	188.4	21.4
Community Health Care	301.0	312.9	315.4	4.8
Dental Services	204.7	253.1	250.7	22.5
Maternal and Child Health and Early Parenting Services	155.0	155.4	179.7	15.9
Medical Research	61.7	98.0	62.8	1.8
Health Protection	189.7	240.0	289.9	52.8
Health Advancement	103.1	117.1	109.3	6.1
Emergency Management	12.9	19.3	15.5	20.0
Small Rural Services – Acute Health	429.5	450.9	442.5	3.0
Small Rural Services – Aged Care	250.3	252.1	256.4	2.5
Small Rural Services – Home and Community Care Services	11.5	11.5	11.7	1.4
Small Rural Services – Primary Health	24.7	25.6	25.1	1.6
Output costs subtotal excluding COVID-19 expenditure	24 270.8	25 190.6	25 546.7	5.3
COVID-19 costs ^(b)	809.8	1 650.4	266.9	(67.0)
Total^(c)	25 080.6	26 841.0	25 813.6	2.9

Source: Department of Health

Notes:

(a) Variation between the 2022-23 budget and the 2023-24 budget. Explanations for variations greater than 5 per cent are included in footnotes to the relevant output cost.

(b) Costs associated with responding to COVID-19 have been separated from outputs.

(c) Table may not add due to rounding.

Ambulance Non-Emergency Services

(2023-24: \$183.7 million)

Non-emergency road, rotary and fixed-wing aircraft patient treatment and transport services provide access to timely, high-quality non-emergency ambulance services. High-quality non-emergency ambulance services contribute to high-quality, accessible health and community services for all Victorians.

Performance measures	Unit of measure	2023-24 target	2022-23 expected outcome	2022-23 target	2021-22 actual
Quantity					
Community Service Obligation non-emergency road and air transports	number	230 376	220 583	240 738	280 752
<i>The 2022-23 expected outcome is lower than the 2022-23 target primarily reflecting Ambulance Victoria's focus on targeting demand management strategies to connect people to care that is responsive to their needs.</i> <i>The 2023-24 target reflects 2022-23 activity with adjustments for anticipated growth in demand.</i>					
Statewide non-emergency air transports	number	3 333	3 228	2 617	3 039
<i>The 2022-23 expected outcome is higher than the 2022-23 target as a result of higher demand.</i> <i>The 2023-24 target reflects 2022-23 activity with adjustments for anticipated growth in demand.</i>					
Statewide non-emergency road transports	number	309 922	297 273	316 214	301 344
<i>The 2022-23 expected outcome is lower than the 2022-23 target primarily reflecting Ambulance Victoria's focus on targeting demand management strategies to connect people to care that is responsive to their needs.</i> <i>The 2023-24 target reflects 2022-23 activity with adjustments for anticipated growth in demand.</i>					
Quality					
Audited cases statewide meeting clinical practice standards	per cent	95	100	95	100
<i>The 2022-23 expected outcome is higher than the 2022-23 target which means most of the audited cases are meeting clinical practice standards.</i>					
Cost					
Total output cost	\$ millions	183.7	191.5	180.0	188.3
<i>The 2022-23 expected outcome is higher than the 2022-23 target due to funding provided for government policy commitments.</i>					

Source: Department of Health

Drug Prevention and Control

(2023-24: \$41.3 million)

Encourages all Victorians to minimise the harmful effects of alcohol and other drugs by providing a comprehensive range of strategies, which focus on enhanced community and professional education, targeted prevention and early intervention programs, community and residential treatment services, and effective regulation.

Performance measures	Unit of measure	2023-24 target	2022-23 expected outcome	2022-23 target	2021-22 actual
Quantity					
Needles and syringes provided through the Needle and Syringe program	number (thousand)	10 170	10 543	10 170	10 246
Number of phone contacts from family members seeking support	number	10 682	9 668	10 682	9 104
<i>The 2022-23 expected outcome is lower than the 2022-23 target primarily due to the shift in preferences of the community to access online resources.</i>					

<i>Performance measures</i>	<i>Unit of measure</i>	<i>2023-24 target</i>	<i>2022-23 expected outcome</i>	<i>2022-23 target</i>	<i>2021-22 actual</i>
Number of telephone, email, website contacts and requests for information on alcohol and other drugs <i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to the high demand for people seeking information and support.</i>	number (thousand)	4 200	5 980	4 200	6 243
Quality					
Percentage of pharmacotherapy permit applications processed within 24 business hours of receipt <i>This measure has been renamed to more accurately describe the permit processing approach by including timeframes.</i>	per cent	100	100	100	100
Timeliness					
Percentage of new licences and permits issued to health services or businesses for the manufacture, use or supply of drugs and poisons within six weeks following receipt of full information	per cent	100	100	100	100
Percentage of treatment permits for medical practitioners or nurse practitioners to prescribe Schedule 8 drugs assessed within four weeks	per cent	80	100	80	100
Cost					
Total output cost	\$ millions	41.3	40.7	40.8	33.5

Source: Department of Health

Drug Treatment and Rehabilitation (2023-24: \$333.1 million)

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.

<i>Performance measures</i>	<i>Unit of measure</i>	<i>2023-24 target</i>	<i>2022-23 expected outcome</i>	<i>2022-23 target</i>	<i>2021-22 actual</i>
Quantity					
Clients on the Pharmacotherapy program <i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to the demand for pharmacotherapy services. The higher 2023-24 target reflects funding provided in the 2023-24 Budget.</i>	number	14 630	14 804	14 000	15 153
Commenced courses of treatment – community-based drug treatment services <i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to the continued demand for services.</i>	number	9 239	11 792	10 189	11 870
Number of drug treatment activity units – community-based services	number	97 855	93 321	97 855	91 214
Number of drug treatment activity units – residential services <i>The 2022-23 expected outcome is lower than the 2022-23 target primarily due to changes in demand. The higher 2023-24 target reflects the inclusion of new dual diagnosis beds.</i>	number	78 845	72 507	78 535	63 315

<i>Performance measures</i>	<i>Unit of measure</i>	<i>2023-24 target</i>	<i>2022-23 expected outcome</i>	<i>2022-23 target</i>	<i>2021-22 actual</i>
Workers complying with Alcohol and Other Drug (AOD) Minimum Qualification Strategy requirements	per cent	85	85	85	71
Quality					
Number of treatment events ending in the reference period where a significant treatment goal is achieved	number	7 385	10 038	7 385	10 415
<i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to clients with AOD related issues remaining in, and successfully completing the course of treatment.</i>					
<i>This measure has been renamed to more accurately describe the activity being measured by including reference to treatment success and event period.</i>					
Percentage of new clients accessing services (with no access in prior five years)	per cent	50.0	41.2	50.0	57.4
<i>The 2022-23 expected outcome is lower than the 2022-23 target primarily due to an increase in the proportion of existing clients with greater complexity, requiring more service engagement.</i>					
<i>This measure has been renamed to more accurately describe the activity being measured by including a definition of a new client.</i>					
Percentage of residential rehabilitation clients remaining in treatment for ten days or more	per cent	80.0	87.0	80.0	83.1
<i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to the impact of the COVID-19 pandemic.</i>					
Percentage of residential withdrawal clients remaining in treatment for two days or more	per cent	80.0	96.0	80.0	95.7
<i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to the impact of the COVID-19 pandemic.</i>					
Timeliness					
Median wait time between assessment and commencement of treatment	days	20	39	20	11
<i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to increased demand for AOD services following the COVID-19 pandemic.</i>					
Median wait time between intake and assessment	days	10	12	10	7
<i>The 2022-23 expected outcome is higher than the 2022-23 target primarily due to increased demand for AOD services following the COVID-19 pandemic.</i>					
Cost					
Total output cost	\$ millions	333.1	298.4	272.5	308.1
<i>The 2022-23 expected outcome is higher than the 2022-23 target due to funding provided for government policy commitments.</i>					
<i>The higher 2023-24 target reflects funding provided for government policy initiatives.</i>					

Source: Department of Health

DEPARTMENT OF HEALTH

Output initiatives

Table 1.14: Output initiatives – Department of Health (\$ million)

	2022-23	2023-24	2024-25	2025-26	2026-27
Admitted Services					
Giving women’s health the focus and funding it deserves ^(a)	..	23.8	36.7	43.9	49.5
Maintaining a PPE supply and stockpile	..	45.3	..	..	..
Meeting the needs of Victorian public hospital services ^(a)	10.3	560.7	574.8	589.2	603.9
More support for our nurses and midwives	6.8	8.3	31.2	40.4	67.5
Pathways to home ^(a)	..	9.1	..	..	..
Public fertility services care for more Victorian families ^(a)	..	4.5	22.7	22.7	..
Rare diseases and cancer: highly specialised therapies ^(a)	..	24.9	25.5	26.1	26.8
Safer digital healthcare program 2023-24	..	19.3	..	..	..
Ambulance Emergency Services					
Supporting the next generation of paramedics	..	2.4	8.0	15.8	16.5
System-wide improvements to support timely emergency care	..	117.4	44.3	21.6	18.2
Community Health Care					
Backing pharmacists to boost our health system	1.0	18.9	..	..	..
Doing what matters for local communities – community health	..	0.2	..	..	..
Prevention and early intervention of chronic and preventable health conditions	..	41.9	..	..	..
Supporting Community Sector Jobs	..	6.0	6.4	6.3	6.7
Supporting local communities and high-quality care for Victorians	0.1	0.2	..	..	..
Supporting our GPs	..	16.0	16.0	..	..
Targeted health support for children in care	..	4.6	8.7	11.0	13.5
Dental Services					
Smile Squad for low-fee Catholic and Independent schools ^(b)	5.6	11.3
Drug Treatment and Rehabilitation					
Alcohol and other drug treatment, support and harm reduction services ^(c)	..	51.2	51.4	28.4	29.1
Health-based response to public intoxication	..	25.4	26.9	26.5	..
Supporting workers through alcohol and other drug issues	..	2.0	5.0	5.0	..
Health Protection					
Mpox vaccination program	19.8	..	..	..	..
Public Health Victoria	..	73.9	51.3	..	..
Victoria’s pandemic program	..	44.0	..	..	..
Health Workforce Training and Development					
Maximising our health workforce	..	15.3	..	..	..
Maternal and Child Health and Early Parenting Services					
More support for mums, dads and babies	..	15.5	15.6	18.5	21.6

Drug Treatment and Rehabilitation

Alcohol and other drug treatment, support and harm reduction services

Funding is provided to continue delivery of alcohol and other drug (AOD) services, including the Medically Supervised Injecting Room in North Richmond, outreach services, treatment and withdrawal beds across nine locations, navigation and advocacy services, and surveillance of emerging drugs.

Funding will also increase access to pharmacotherapy, support 84 new AOD trainee positions, expand Victoria's naloxone supply program, and expand the U-Turn program into the Hume region.

This initiative contributes to the delivery of the Government's election commitment, 'Doing what matters for local communities' as published in *Labor's Financial Statement 2022*.

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

Health-based response to public intoxication

Funding is provided for the statewide rollout of the health-based response to public intoxication, including dedicated services for Aboriginal Victorians and central clinical and referral support services.

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

This initiative contributes to the Department of Justice and Community Safety's:

- Emergency Management Capability output
- Justice Policy, Services and Law Reform output
- Policing and Community Safety output.

Supporting workers through alcohol and other drug issues

Funding is provided to establish an AOD rehabilitation, outpatient support and outreach centre for Victorian workers.

This initiative delivers on the Government's election commitment, 'Supporting workers through alcohol and other drug issues' as published in *Labor's Financial Statement 2022*.

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

Box 4: Victoria's Mental Health Capital Fund¹

In response to the Royal Commission into Victoria's Mental Health System, a dedicated Mental Health Capital Fund (MHCF) has been established to support the Government's investment in mental health infrastructure. The Royal Commission's recommendations will take a decade or more to implement, delivering a new approach to mental health and wellbeing in Victoria.

The 2023-24 *Budget* is investing \$63 million in the MHCF to continue to deliver on the Royal Commission's recommendations and improve Victoria's mental health system. Key projects include:

- \$53 million for the planning and detailed design for Stage 3 of the redevelopment of the Thomas Embling Hospital, informing the future delivery of a men's high-security unit, bed refurbishments and supporting infrastructure
- \$10 million for the Mental Health Capital Renewal Fund to improve the quality and amenity of existing facilities, assisting people with mental health issues.

The new initiatives are in addition to the \$1.5 billion in mental health infrastructure investment already funded by the Government, including:

- \$492 million for 120 new acute mental health beds across the McKellar Centre, Northern Hospital, Royal Melbourne Hospital and the Sunshine Hospital
- \$462 million for Stages 1 and 2 to expand and redevelop the Thomas Embling Hospital
- \$196 million for additional acute mental health beds in regional Victoria
- \$141 million for five new youth treatment facilities in Barwon South West, Gippsland, Grampians, Hume and North Eastern Metropolitan Regions, with upgrades to centres in Bendigo, Dandenong and Frankston
- \$65 million for Contemporary Information Architecture for Mental Health and Wellbeing
- \$62 million for improving safety in mental health intensive care areas
- \$36 million for a new Mental Health and Alcohol and Other Drugs Residential Rehabilitation Facility in Mildura
- \$30 million for grants for renewal and refurbishments of acute and community based mental health facilities in 2020-21 and 2022-23
- \$11 million for additional acute mental health beds in Warrnambool
- \$10 million for Mental Health and Alcohol and Other Drugs Emergency Department Hubs in regional Victoria
- \$5 million for the Victorian Collaborative Centre for Mental Health and Wellbeing.

¹ This fund includes output funding associated with the delivery of infrastructure.