

## 5. HEALTH

### NATURE OF OUTLAYS

The Health function covers outlays on facilities or services for the prevention and treatment of human illness, setting standards for safety and efficacy of therapeutic goods and services, support for health research and the promotion of better health. Aged persons' hostels and most outlays on Aboriginals are classified to 6. *Social Security and Welfare*. The major purpose of Commonwealth health outlays is to ensure that all Australians have access to necessary health services without excessive price barriers.

Universal health cover under Medicare includes subsidised medical and pharmaceutical services and public hospital services. Other Commonwealth assistance in the health area includes subsidised residential care services and certain allied health services (e.g. hearing services). Assistance is also provided through a number of tax measures (e.g. sales tax exemptions on a range of medical related goods and tax rebates under the private health insurance incentives).

Medical and pharmaceutical benefits under Medicare are provided directly by the Commonwealth. Financial assistance for State hospitals under the Medicare Agreements ensure public hospital patients have free shared ward accommodation and treatment for both inpatient and outpatient services.

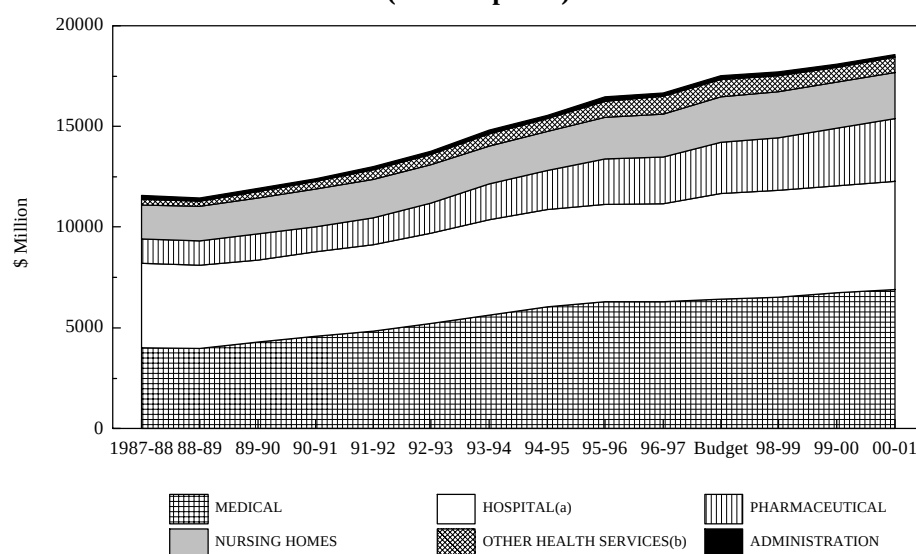
The Commonwealth promotes access of Aboriginal and Torres Strait Islander people to a range of health services through its own programmes and by working with the States in the planning and funding of mainstream health services.

A group of broadbanded public health programmes (a major component of 5.6 *Other Health Services*) provide for the promotion of better health, health research and direct responses to national health issues such as HIV/AIDS and drug abuse.

This function includes outlays of the following portfolios:

- Health and Family Services; and
- Veterans' Affairs.

**Chart 1. Overview of Commonwealth Outlays on Health  
(1989-90 prices)**



(a) Includes Identified Health Grants, which were classified to 14B. *General Purpose Inter-Government Transactions* during the period 1981-82 to 1987-88.

(b) Includes Aboriginal and Torres Strait Islander Health.

## TRENDS IN HEALTH OUTLAYS

Growth in Commonwealth health outlays has averaged around 4 per cent a year in real terms since 1987-88 (refer Chart 1). The growth mainly reflects a steady increase in utilisation of medical services and pharmaceutical services over the period and a drift towards more costly drugs and medical services.

In the forward years real growth in Commonwealth health outlays is expected to continue, but at a rate less than recent years. The reduced growth reflects mainly lower growth in outlays on Medical Services and Benefits as a result of a range of measures taken over a number of years to constrain the growth in the Medicare Benefits Scheme. The rapid growth in pharmaceutical benefits is expected to moderate over the next two years as a result of measures, particularly in this and the previous budget, but with an outlook for renewed growth as demand for new, more effective but high cost drugs continues. Outlays for Hospital Services are projected to grow at the rate specified in the current Medicare Agreements. The current agreements conclude in June 1998 and new agreements with the States are to be negotiated during 1997-98.

## 1997-98 AND FORWARD ESTIMATES

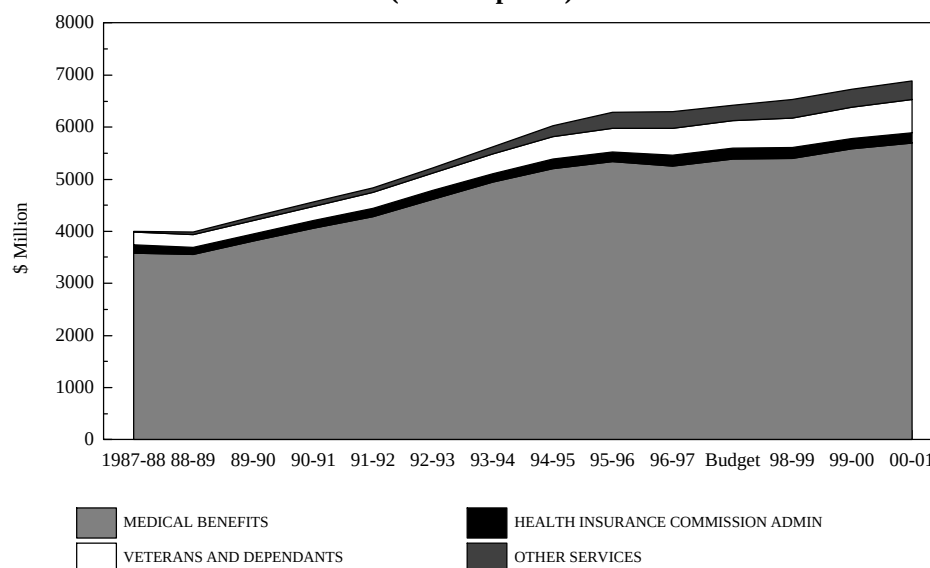
|     |                                                         | 1996-97            | 1997-98        | 1998-99        | 1999-00        | 2000-01        |
|-----|---------------------------------------------------------|--------------------|----------------|----------------|----------------|----------------|
|     |                                                         | Estimate           | Budget         | Estimate       | Estimate       | Estimate       |
| 5.1 | Medical Services and Benefits                           | \$m 7300.6         | 7584.2         | 7904.8         | 8351.4         | 8768.0         |
|     | %                                                       |                    | 3.9            | 4.2            | 5.6            | 5.0            |
| 5.2 | Hospital Services                                       | \$m 5613.1         | 6206.7         | 6402.3         | 6612.0         | 6838.7         |
|     | %                                                       |                    | 10.6           | 3.2            | 3.3            | 3.4            |
| 5.3 | Pharmaceutical Services and Benefits                    | \$m 2678.4         | 3013.0         | 3175.5         | 3555.8         | 3986.1         |
|     | %                                                       |                    | 12.5           | 5.4            | 12.0           | 12.1           |
| 5.4 | Nursing Home Subsidies and<br>Domiciliary Care Services | \$m 2484.2         | 2636.1         | 2757.0         | 2827.5         | 2905.5         |
|     | %                                                       |                    | 6.1            | 4.6            | 2.6            | 2.8            |
| 5.5 | Aboriginal and Torres Strait<br>Islander Health         | \$m 112.0          | 127.1          | 130.9          | 131.9          | 125.7          |
|     | %                                                       |                    | 13.5           | 3.0            | 0.8            | -4.7           |
| 5.6 | Other Health Services                                   | \$m 898.8          | 904.3          | 842.6          | 796.4          | 813.3          |
|     | %                                                       |                    | 0.6            | -6.8           | -5.5           | 2.1            |
| 5.7 | General Administration                                  | \$m 207.0          | 228.2          | 209.0          | 173.8          | 179.3          |
|     | %                                                       |                    | 10.2           | -8.4           | -16.8          | 3.2            |
|     | <b>TOTAL</b>                                            | <b>\$m 19294.1</b> | <b>20699.5</b> | <b>21422.1</b> | <b>22448.7</b> | <b>23616.6</b> |
|     | %                                                       |                    | 7.3            | 3.5            | 4.8            | 5.2            |

### 5.1 MEDICAL SERVICES AND BENEFITS

|  |                             | 1996-97           | 1997-98       | 1998-99       | 1999-00       | 2000-01       |
|--|-----------------------------|-------------------|---------------|---------------|---------------|---------------|
|  |                             | Estimate          | Budget        | Estimate      | Estimate      | Estimate      |
|  | Medical Benefits            | \$m 6073.2        | 6368.1        | 6538.6        | 6917.2        | 7243.1        |
|  | %                           |                   | 4.9           | 2.7           | 5.8           | 4.7           |
|  | Health Insurance Commission | \$m 251.1         | 248.8         | 252.1         | 250.1         | 257.2         |
|  | Administrative Costs        | %                 | -0.9          | 1.3           | -0.8          | 2.8           |
|  | Veterans and Dependants     | \$m 598.4         | 629.7         | 686.6         | 746.8         | 813.0         |
|  | %                           |                   | 5.2           | 9.0           | 8.8           | 8.9           |
|  | Other Services              | \$m 377.9         | 337.8         | 427.5         | 437.2         | 454.7         |
|  | %                           |                   | -10.6         | 26.6          | 2.3           | 4.0           |
|  | <b>TOTAL</b>                | <b>\$m 7300.6</b> | <b>7584.2</b> | <b>7904.8</b> | <b>8351.4</b> | <b>8768.0</b> |
|  | %                           |                   | 3.9           | 4.2           | 5.6           | 5.0           |

The purpose of these outlays is to achieve high quality health outcomes for people by enabling access to timely and appropriate health care services at reasonable cost.

**Chart 2. Medicare Benefits Outlays  
(1989-90 prices)**



### Medical Benefits

The Commonwealth provides assistance under Medicare towards the cost of out-of-hospital medical services (85 per cent of the schedule fee with a limit on the gap between the benefit and schedule fee for individual claims) and towards the cost of medical services provided to patients under private care in hospital (75 per cent of the schedule fee with no limit on the gap between the benefit and schedule fee on individual claims). A safety net applies to out-of-hospital medical services.

For medical services rendered to private patients in either public or private hospitals, registered health insurers are required to offer gap insurance in their hospital tables to cover the difference between 75 per cent and the full amount of the schedule fee. Insurers are not permitted to provide cover for payments above the schedule fee, unless they have a contract with the medical practitioner providing the service.

Medical practitioners may direct bill the Commonwealth on behalf of any patient and accept the Medicare benefit as full payment for their services.

The increase in outlays over the decade to 1996-97, averaging growth in real terms of 5 per cent a year, reflects the following components:

- about half from growth in the volume of services, mostly driven by increased utilisation of services per person with some growth due to increases in the size and age of the population; and
- the remainder from increases in the schedule fee and the drift to more expensive services and procedures.

### Health Insurance Commission - Administration of Medicare Benefits

The Health Insurance Commission (HIC) is a budget funded agency which pays Medicare benefits in respect of services listed in the Medicare Benefits Schedule to the *Health Insurance Act 1973*. Medicare benefits may be claimed through Medicare

shopfronts, direct billing and also through pharmacies in some rural and regional areas. Electronic claiming will also be available through some medical practices commencing in 1997-98.

### **Veterans and Dependants**

The Commonwealth meets the costs, for eligible veterans and their dependants, of local medical officer, specialist, paramedical and dental services, the supply and maintenance of surgical aids and travelling and other expenses incurred in obtaining medical treatment.

### **Other Services**

The largest item under this category is the General Practice Reforms (including grants to Divisions of General Practice, Better Practice Payments and the Rural Incentives Programme), which are designed to improve the service quality of general practice and address the structural issues contributing to growth in Medicare benefits outlays.

## **5.2 HOSPITAL SERVICES**

|                                     |      | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|-------------------------------------|------|---------------------|-------------------|---------------------|---------------------|---------------------|
| Public Hospitals                    | \$m  | 4782.0              | 4947.8            | 5132.9              | 5310.2              | 5501.6              |
|                                     | %    |                     | 3.5               | 3.7                 | 3.5                 | 3.6                 |
| Veterans and Dependants             | \$m  | 825.7               | 806.7             | 812.9               | 840.7               | 871.5               |
|                                     | %    |                     | -2.3              | 0.8                 | 3.4                 | 3.7                 |
| Private Health Insurance Incentives | \$m  | -                   | 451.3             | 455.8               | 460.3               | 464.9               |
|                                     | %    |                     | na                | 1.0                 | 1.0                 | 1.0                 |
| Other Hospital Services             | \$m  | 5.4                 | 1.0               | 0.8                 | 0.7                 | 0.7                 |
|                                     | 0.0% |                     | -81.5             | -20.0               | -12.5               | -                   |
| TOTAL                               | \$m  | 5613.1              | 6206.7            | 6402.3              | 6612.0              | 6838.7              |
|                                     | %    |                     | 10.6              | 3.2                 | 3.3                 | 3.4                 |

Outlays under this subfunction are designed to ensure efficient and effective delivery of hospital care under Medicare, which entitles all Australian residents to free shared ward accommodation and treatment, and free outpatient, accident and emergency treatment at public hospitals. Those electing to have 'doctor-of-choice' or private ward accommodation in a public hospital must bear the cost or take out appropriate hospital insurance cover. From July 1997, the Commonwealth will provide incentives to people to take out private health insurance through the Private Health Insurance Incentive Programme.

### **Public Hospitals**

To support free hospital care under Medicare, the Commonwealth provides substantial financial assistance to the States through Medicare Agreements. The current Medicare Agreements cover the period 1 July 1993 to 30 June 1998 and focus on increasing public patient access and improving the efficiency and effectiveness of service delivery. Hospital funding is indexed for wage and price increases and age/sex weighted population growth.

The Agreements also include:

- arrangements under which a proportion of funding is linked to the achievement of performance targets in areas of public patient activity (inpatient and outpatient), elective surgery waiting times and emergency department waiting times; and

- a specific Commonwealth contribution for the treatment of AIDS patients in public hospitals, which is indexed to the actual growth in cases treated, in recognition of the impact of AIDS on public hospital systems.

### Veterans and Dependants

All Repatriation General Hospitals have been either integrated into the States' public hospital systems or sold to the private sector. Formal proposals have been invited from the private sector for the purchase and operation of the remaining Repatriation Auxiliary Hospital, Lady Davidson. Veterans are now treated under the Repatriation Private Patient Scheme which allows them to be treated at public hospitals or private hospitals with which the Department of Veterans' Affairs (DVA) has a contract. Consequently, veterans can be treated closer to home and linked into their local health care networks.

### Private Health Insurance Incentives

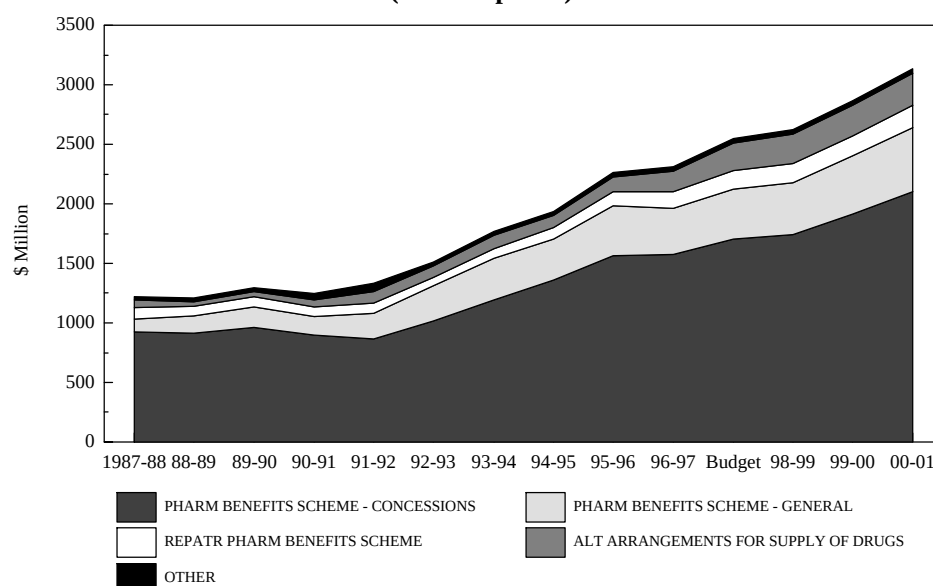
The Private Health Insurance Incentives Scheme, which commences on 1 July 1997, will provide an income-tested financial incentive to families and individuals to take out and maintain private health insurance cover. The amount of incentive paid will depend on the type and level of private health insurance coverage held. Recipients will have the choice of claiming the incentives through their health insurance fund in the form of reduced premiums or as an income tax rebate, claimable after the end of the income year.

## 5.3 PHARMACEUTICAL SERVICES AND BENEFITS

|                                                  |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|--------------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Pharmaceutical Benefits Scheme                   |     |                     |                   |                     |                     |                     |
| General                                          | \$m | 445.6               | 495.4             | 533.7               | 604.3               | 685.0               |
|                                                  | %   |                     | 11.2              | 7.7                 | 13.2                | 13.4                |
| Concessional                                     | \$m | 1824.6              | 2012.8            | 2106.6              | 2374.0              | 2676.7              |
|                                                  | %   |                     | 10.3              | 4.7                 | 12.7                | 12.8                |
| Sub-total                                        | \$m | 2270.2              | 2508.2            | 2640.3              | 2978.3              | 3361.7              |
|                                                  | %   |                     | 10.5              | 5.3                 | 12.8                | 12.9                |
| Repatriation Pharmaceutical Benefits Scheme      | \$m | 160.8               | 188.4             | 194.5               | 211.7               | 231.9               |
|                                                  | %   |                     | 17.2              | 3.2                 | 8.8                 | 9.5                 |
| Alternative Arrangements for the Supply of Drugs | \$m | 201.6               | 269.8             | 295.0               | 320.4               | 346.6               |
|                                                  | %   |                     | 33.8              | 9.3                 | 8.6                 | 8.2                 |
| Pharmacy Restructuring                           | \$m | 7.0                 | 8.7               | 8.8                 | 8.9                 | 9.0                 |
|                                                  | %   |                     | 24.3              | 1.1                 | 1.1                 | 1.1                 |
| Health Insurance Commission Administrative Costs | \$m | 38.7                | 38.0              | 37.0                | 36.5                | 36.9                |
|                                                  | %   |                     | -1.8              | -2.6                | -1.4                | 1.1                 |
| TOTAL                                            | \$m | 2678.4              | 3013.0            | 3175.5              | 3555.8              | 3986.1              |
|                                                  | %   |                     | 12.5              | 5.4                 | 12.0                | 12.1                |

Through Pharmaceutical Services and Benefits, the Commonwealth aims to ensure access by the Australian community to necessary, cost-effective medicines at the lowest cost to Government and consumers, consistent with reliable supply.

**Chart 3. Pharmaceutical Services and Benefits  
(1989-90 prices)**



### Pharmaceutical Benefits Scheme and the Repatriation Pharmaceutical Benefits Scheme

Under the Pharmaceutical Benefits Scheme (PBS), the Commonwealth provides assistance towards the cost of pharmaceuticals. Concessional patients (pensioners, the unemployed and low income families) are entitled to a higher subsidy than the general public. A safety net applies to both the general public and concessionals on a calendar year basis.

Under the Repatriation Pharmaceutical Benefits Scheme (RPBS), beneficiaries (veterans with recognised war or service related disabilities) have access to both pharmaceuticals under the PBS and a supplementary Repatriation list, at the same cost as patients entitled to the concessional payment.

Patient contributions and safety net levels are indexed annually in accordance with movements in the Consumer Price Index (CPI).

The Commonwealth presently has an agreement with retail pharmacies under which pharmacists are approved to supply benefits under these schemes, and remuneration levels for pharmacists in respect of pharmaceutical benefits are determined.

The key determinants of growth in pharmaceutical benefits have been the listing of new, more expensive drugs and the shift in prescribing patterns towards those drugs; and underlying growth in demand reflecting both growth in utilisation and changes in the size and composition of the population (as a result of ageing).

### Alternative Arrangements for the Supply of Drugs

In certain circumstances some pharmaceuticals are not suitable for the normal supply arrangements under the PBS and alternative arrangements are made. These include:

- human growth hormone which is supplied free of charge through doctors, mainly paediatricians;

- selected highly specialised drugs (including drugs for the treatment of HIV/AIDS), which are supplied by States through hospitals to outpatients. The Commonwealth funds part of the costs of these drugs through grants to the States, with additional costs met by patient contributions; and
- some essential vaccines, as part of the National Childhood Immunisation Programme (part of the new broadbanded National Public Health Programme), which will be provided free of charge through doctors and other immunisation providers.

#### **Health Insurance Commission - Administration of Pharmaceutical Benefits**

The Health Insurance Commission (HIC) administers the PBS. It reimburses pharmacists for the difference between the Commonwealth price of pharmaceuticals and patient contributions. It also undertakes measures to ensure that benefits are supplied correctly and only to eligible people.

### **5.4 RESIDENTIAL CARE SUBSIDIES AND DOMICILIARY CARE SERVICES**

|                                          |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Nursing Home Subsidies for the Aged      | \$m | 2204.3              | 2338.1            | 2415.4              | 2460.9              | 2508.0              |
|                                          | %   |                     | 6.1               | 3.3                 | 1.9                 | 1.9                 |
| Nursing Care for Veterans and Dependants | \$m | 83.9                | 84.8              | 88.3                | 91.9                | 96.8                |
|                                          | %   |                     | 1.1               | 4.1                 | 4.1                 | 5.3                 |
| Domiciliary Nursing Care Benefit         | \$m | 64.9                | 71.6              | 102.3               | 114.8               | 128.8               |
|                                          | %   |                     | 10.3              | 42.9                | 12.2                | 12.2                |
| Home Nursing Service                     | \$m | 131.0               | 141.6             | 150.9               | 159.8               | 171.9               |
|                                          | %   |                     | 8.1               | 6.6                 | 5.9                 | 7.6                 |
| TOTAL                                    | \$m | 2484.2              | 2636.1            | 2757.0              | 2827.5              | 2905.5              |
|                                          | %   |                     | 6.1               | 4.6                 | 2.6                 | 2.8                 |

The Commonwealth provides funding for aged persons living in residential care facilities and receiving care in the community. In 1997-98 nursing homes and hostels will be brought together under one set of arrangements for residential care. The outlays shown here relate to the higher levels of care provided by services currently classified as nursing homes. Hostel-type facilities and community based care funding are covered under *6. Social Security and Welfare*. Access to residential care services and Community Aged Care Packages follows identification of care needs by Aged Care Assessment Teams which are administered by the States with recurrent funding provided by the Commonwealth.

#### **Nursing Home Subsidies for the Aged**

The Commonwealth sets fees based on the assessed care needs of residents. The amount of subsidy paid by the Commonwealth is determined by the fee, less a statutory resident contribution. This subsidy will be income tested from 1997-98. The fee provides for the nursing and personal care costs of residents, and their accommodation costs.

Refundable accommodation bonds will apply across residential care services from 1997-98. The interest earnings and administration fee will provide the principal funding source for the construction, extension and upgrading of the former nursing home sector.



## Nursing Care for Veterans and Dependants

Nursing care for veterans and dependants is funded through the Department of Veterans' Affairs. Funds are paid directly to the Department of Health and Family Services which acts as agent in the delivery of these services.

## Domiciliary Nursing Care Benefit

The Commonwealth pays a fortnightly benefit (adjusted by the Consumer Price Index (CPI) each January) to eligible persons who provide care at home for persons aged 16 years or more who would otherwise be eligible for a high level of residential care.

## Home Nursing Service

Home nursing services are one of a range of services offered through the Home and Community Care programme. Others include respite care, home help and dementia projects (see 6. *Social Security and Welfare*).

### 5.5 ABORIGINAL AND TORRES STRAIT ISLANDER HEALTH

|                                                 |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|-------------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Aboriginal and Torres Strait<br>Islander Health | \$m | 112.0               | 127.1             | 130.9               | 131.9               | 125.7               |
|                                                 | %   |                     | 13.5              | 3.0                 | 0.8                 | -4.7                |
| TOTAL                                           | \$m | 112.0               | 127.1             | 130.9               | 131.9               | 125.7               |
|                                                 | %   |                     | 13.5              | 3.0                 | 0.8                 | -4.7                |

The Commonwealth contributes to the health of Aboriginal and Torres Strait Islander people through funding community-controlled Aboriginal Health Services. Commonwealth funding also supports a range of specialist services, including mental health and hearing services. In addition, the Commonwealth is involved in seeking to improve the access of indigenous people to mainstream health services by working with the States in the planning and funding of these services.

### 5.6 OTHER HEALTH SERVICES

|                                       |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|---------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Health Research                       | \$m | 163.4               | 174.1             | 149.2               | 128.2               | 130.8               |
|                                       | %   |                     | 6.5               | -14.3               | -14.1               | 2.0                 |
| Health Promotion & Disease Prevention | \$m | 292.5               | 259.9             | 215.2               | 210.5               | 214.3               |
|                                       | %   |                     | -11.1             | -17.2               | -2.2                | 1.8                 |
| Health Support Services               | \$m | 419.6               | 403.1             | 426.3               | 448.1               | 459.6               |
|                                       | %   |                     | -3.9              | 5.8                 | 5.1                 | 2.6                 |
| Other                                 | \$m | 23.3                | 67.2              | 51.9                | 9.5                 | 8.7                 |
|                                       | %   |                     | 188.4             | -22.8               | -81.7               | -8.4                |
| TOTAL                                 | \$m | 898.8               | 904.3             | 842.6               | 796.4               | 813.3               |
|                                       | %   |                     | 0.6               | -6.8                | -5.5                | 2.1                 |

The Commonwealth, in partnership with other levels of government and the non-government sector, aims to support an improvement in the health of all Australians and help reduce the disparities between social groups.

## Health Research

Commonwealth support for health research activities includes funding for medical and public health research through the Medical Research Endowment Fund, the Public

Health Research and Development Committee and the Australian Institute of Health and Welfare. Funding is also provided to supplement capital spending at medical research institutes.

The John Curtin School of Medical Research, which was previously reported in this section, has been moved to *4.1 Higher Education*, and its funding has been combined with other higher education funding.

### **Health Promotion and Disease Prevention**

The bulk of funding is provided under the National Public Health Programme, which aims to promote and protect the health of all Australians and to minimise the incidence and severity of preventable illness, injury and disability. This includes elements such as women's health, family planning, AIDS control, drug strategies and childhood immunisation. The Commonwealth is currently negotiating new outcome-based agreements with the States to cover the period to 1998-99. These agreements will allow funds, previously provided through a variety of specific purpose payments, to be pooled into one block grant, giving the States greater flexibility in managing the nation's public health agenda.

The National Youth Suicide Prevention Strategy provides funding for counselling services, information programmes, education and research. The Commonwealth also provides funding under the National Mental Health Strategy to accelerate the transfer of mental health services out of stand-alone psychiatric institutions into the acute hospital and community care systems, and for innovative mental health projects of national significance.

### **Health Support Services**

These services include:

- provision of a range of blood products from Australian sourced plasma, through a commercial contract with Commonwealth Serum Laboratories Limited;
- the annual operating and capital costs of the Red Cross Society's Blood Transfusion Service which are shared by the States and the Commonwealth;
- health support services under the National Rural and Remote Health Support programme: aero-medical services to rural and remote communities by the Royal Flying Doctor Service; training of medical professionals under the Advanced Specialist Training Post programme and university departments of rural health; innovative delivery of health services to rural and remote communities; and rural health research;
- the provision of a range of hearing services through the Australian Hearing Services Authority and private sector providers, to eligible pensioners and all people under the age of 21 years. Increased consumer choice in hearing services will be available in 1997-98 with the planned introduction of a voucher funding system;
- the Therapeutic Goods Administration (TGA), which is responsible for ensuring the safety and effectiveness of therapeutic goods available in Australia. The TGA currently recovers a large proportion of its costs from the therapeutic goods industry. This will increase to 100 per cent by 1998-99;
- medical assessments of Commonwealth personnel and applicants for Commonwealth income support payments by the Australian Government Health

Service (AGHS). The AGHS is scheduled to become a Commonwealth owned company by 1 July 1997; and

- the development and maintenance of appropriate food standards for Australia and New Zealand by the Australia New Zealand Food Authority.

## 5.7 GENERAL ADMINISTRATION

|                                          |     | 1996-97<br>Estimate | 1997-98<br>Budget | 1998-99<br>Estimate | 1999-00<br>Estimate | 2000-01<br>Estimate |
|------------------------------------------|-----|---------------------|-------------------|---------------------|---------------------|---------------------|
| Department of Health and Family Services | \$m | 173.9               | 192.7             | 179.4               | 143.7               | 148.6               |
|                                          | %   |                     | 10.8              | -6.9                | -19.9               | 3.4                 |
| Department of Veterans' Affairs          | \$m | 33.1                | 35.4              | 29.6                | 30.1                | 30.7                |
|                                          | %   |                     | 6.9               | -16.4               | 1.7                 | 2.0                 |
| TOTAL                                    | \$m | 207.0               | 228.2             | 209.0               | 173.8               | 179.3               |
|                                          | %   |                     | 10.2              | -8.4                | -16.8               | 3.2                 |

Outlays under this subfunction comprise part of the general administrative and capital expenses of the Department of Health and Family Services (DHFS) and the Department of Veterans' Affairs.

### Department of Health and Family Services

This item comprises a proportion of the operating costs of DHFS. The balance of the operating costs of DHFS is classified under 6. *Social Security and Welfare*.