

MINISTER FOR HEALTH

OVERVIEW

Agency	Budget 2006-07 \$m	Budget 2007-08 \$m	Variation %
Department of Health			
Total Expenses	11,687.8	12,518.7	7.1
Capital Expenditure	573.1	654.3*	14.2
Health Care Complaints Commission			
Total Expenses	10.4	10.6	2.6
Capital Expenditure	0.2	...	-100.0
Cancer Institute NSW			
Total Expenses	134.3	n.a.
Capital Expenditure	2.0	n.a.
Total, Minister for Health**			
Total Expenses	11,698.2	12,529.3	7.1
Capital Expenditure	573.3	656.3	14.5

* The 2007-08 Budget for Capital Expenditure includes \$71.3 million for projects that will be undertaken as privately financed projects and excludes \$60 million in capital expensing that is included in the 2007-08 Budget for Total Expenses. The total capital works program for 2007-08 is \$714 million.

** The Ministerial total has been reduced to exclude grant payments from the Department of Health to the Cancer Institute NSW.

DEPARTMENT OF HEALTH

The Department of Health is responsible for State-wide policy and planning, performance management and monitoring, and strategic financial and asset management for the NSW public health system. The NSW public health system comprises the Ambulance Service of NSW, eight Area Health Services, five statutory health corporations, 21 affiliated health organisations and a range of health support services provided by the Health Administration Corporation. The Department and the NSW public health system are known collectively as NSW Health.

The Department is also responsible for supporting the NSW Minister for Health in the administration of around 40 Acts allocated to the Health portfolio. This includes undertaking licensing, regulatory and enforcement functions, under Acts such as the *Health Services Act 1997*, *Mental Health Act 1990*, *Private Hospitals and Day Procedure Centres Act 1988*, *Poisons and Therapeutic Goods Act 1966*, *Public Health Act 1991* and *Smoke-free Environment Act 2000*.

RESULTS AND SERVICES

The Department has lead agency responsibility for coordinating with partner agencies to ensure the delivery of the following State Plan priorities:

- ◆ S1: Improved access to quality healthcare.
- ◆ S2: Improved survival rates and quality of life for people with potentially fatal or chronic illness through improvements in health care.
- ◆ S3: Improved health through reduced obesity, smoking, illicit drug use and risk drinking.
- ◆ F3: Improved outcomes in mental health.
- ◆ F5: Reduced avoidable hospital admissions.

NSW Health's overarching vision of "Healthy People - Now and in the Future" is being advanced through the State Health Plan by working towards the following results:

- ◆ People are healthy.
- ◆ The health care people need is provided.
- ◆ Health services are of high quality.
- ◆ Health services are well managed.

Key services provided by NSW Health which contribute to these results include:

- ◆ providing health care to patients admitted to hospitals;
- ◆ providing ambulatory, primary and community-based services in outpatient clinics and community health centres, and in the home;
- ◆ providing emergency transport and emergency treatment;
- ◆ providing community-based and admitted mental health services;
- ◆ providing rehabilitation and long-term care services;
- ◆ providing public health promotion and regulation to protect health; and
- ◆ providing professional training and investment in research.

RECENT DEVELOPMENTS

NSW Health's projected expenditure for 2006-07 is \$11.9 billion. Key achievements in 2006-07 include:

- ◆ better integration of health care including establishment of after-hours GP clinics at Nepean, Albury and Liverpool Hospitals and continuation of the successful after-hours GP clinic at Campbelltown Hospital;
- ◆ better access to care, reflected in improvements in triage performance for patients requiring care in emergency departments and declines in waiting lists for elective surgery;
- ◆ enhanced mental health services including more mental health beds at Dubbo, Broken Hill and Justice Health; expansion of the Housing Accommodation Support Initiative (HASI) to 850 places; and establishment of specialist amphetamine treatment services at Newcastle and St Vincent's Hospitals;
- ◆ increases in the nursing workforce to 42,004 as at March 2007, an increase of 23.5 per cent or 8,000 since January 2002;
- ◆ better access to renal services through upgrading of facilities, an increase in number of dialysis chairs, recruitment and up-skilling of staff, and allocation of more than \$5 million to establish six new in-centre or satellite renal dialysis services at Northern Beaches, Royal Prince Alfred Hospital, Fairfield, Sutherland, Bega and Taree and to expand community and outreach capacity to provide support for patients on home haemodialysis; and
- ◆ better access to cardiac services in rural areas through establishment of specialist services for the diagnosis and treatment of heart conditions, with a third rural public Cardiac Catheterisation Laboratory opened in Coffs Harbour in September 2006.

Health System Demands

Demand and rising costs confront health systems in all developed countries and are being driven by:

- ◆ a growing and ageing population;
- ◆ increasing rates of obesity, diabetes and other lifestyle related illnesses;
- ◆ changes in health technology, including the availability of new and more advanced procedures;

- ◆ community expectations including higher standards of care; and
- ◆ worldwide skill shortages for clinical staff that flow through to service access issues and wage costs.

Increasing pressure on emergency and acute care services

Across New South Wales, emergency and acute care services continue to be significant areas of growing demand.

The Ambulance Service of NSW responds to a call for assistance every 31 seconds on average. Over the nine months to March 2007, ambulance responses increased by 35,223 or 4.7 per cent compared to the same period last year.

Emergency departments treat an average of 6,000 people daily. Over the nine months to March 2007, emergency department attendances were up by 73,694 patients or 5.6 per cent compared to the same period last year.

An average 4,000 people each day are admitted into public hospitals, 30 per cent of these through emergency departments. Over the nine months to March 2007, admissions through emergency departments were up by 20,637 or 7.1 per cent compared to the same period last year.

Diminishing Commonwealth support for public hospitals

While the demand for, and cost of, hospital services is increasing, the Commonwealth Government is restricting growth in the funding it provides to NSW public hospitals under the Australian Health Care Agreement (AHCA). It is estimated that New South Wales will lose some \$712 million in Commonwealth Government funding comprising \$278 million lost in the signing of the 2003-08 AHCA compared to a continuation of the previous 1998-03 agreement, a further \$122 million lost so far under the current AHCA from inadequate indexation adjustments, and a further \$312 million from a one-off Commonwealth adjustment. The loss of \$312 million occurred at the same time as the Commonwealth Government announced its Strengthening Medicare package.

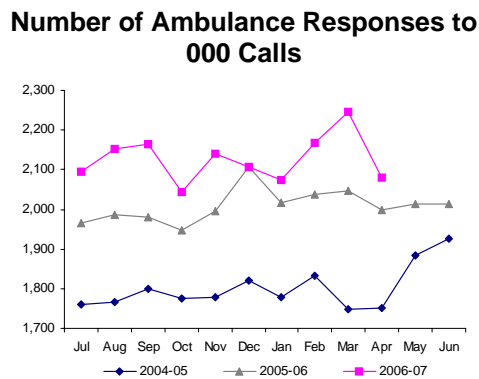
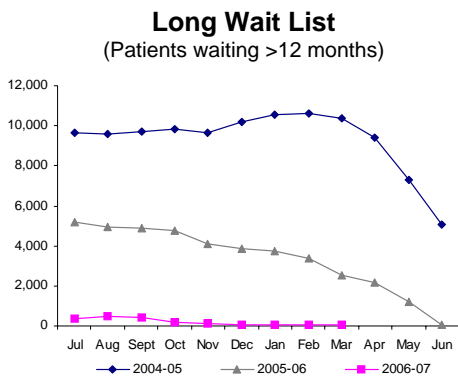
In 2003-04, the NSW Government contributed \$1.61 for every dollar the Commonwealth Government put into the NSW Health budget. In 2007-08, this is forecast to be \$1.72, demonstrating the Commonwealth's unwillingness to match recent NSW Government increases in health funding. Over this period, Commonwealth funding has failed to cover wage rises for public hospital nurses and medical staff.

Health System Performance

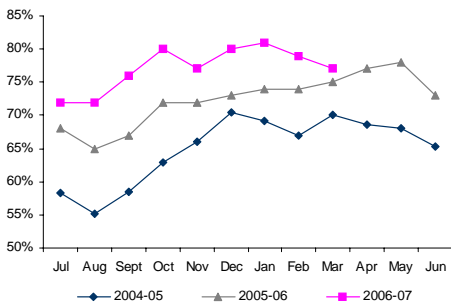
Despite increasing levels of demand, considerable improvements have been realised in key emergency and elective surgery health system performance indicators in 2006-07 (see Chart 12.1). As at March 2007, these include:

- ◆ Sustained State-wide improvement in the proportion of patients being transferred from ambulance to hospital care within 30 minutes of arriving at hospital. Off stretcher time (the percentage of patients transferred within 30 minutes) met or exceeded previous year results for the nine months to March 2007 at a time when emergency department attendances have been increasing. Off stretcher time for March 2007 was 79 per cent.
- ◆ A significant and sustained improvement in the proportion of patients being admitted within eight hours of attendance at emergency departments. Emergency Admission Performance State-wide for the nine months to March 2007 was 79 per cent (compared to 75 per cent for the same period last year).
- ◆ A significant and sustained improvement in the proportion of patients receiving emergency department treatment within national triage benchmarks. The Triage Category 1 national performance benchmark of 100 per cent of patients receiving care within two minutes continued to be met. National performance benchmarks were also achieved in categories in 2, 4 and 5. Performance across triage categories 2 to 5 improved by between three and ten percentage points compared to the same period last year.
- ◆ A reduction of 2,481 patients on the booked surgical waiting list in the 12 months to March 2007.
- ◆ Near elimination of the number of patients waiting longer than 12 months for elective procedures over the past two years. Numbers have dropped from 10,364 in March 2005 to 2,525 in March 2006, and to 72 in March 2007.

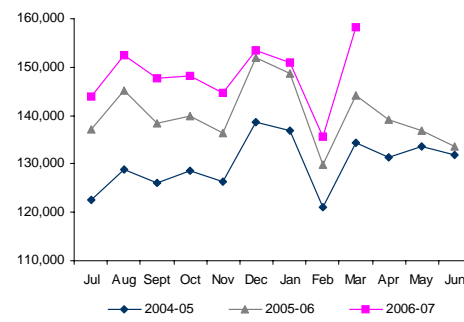
Chart 12.1: NSW Health Performance and Activity Measures



Emergency Admission Performance
(Ward admissions transferred from ED within 8 hours, Greater Metropolitan AHS only)



Emergency Department Attendances
(EDIS hospitals only)



STRATEGIC DIRECTIONS

The NSW Government has responded to the pressures on the health system through key initiatives pursued within an integrated strategic planning framework developed to guide the NSW health system over the next ten to twenty years. This framework is built around the following seven strategic directions:

- ◆ make prevention everybody's business;
- ◆ create better experiences for people using health services;
- ◆ strengthen primary health and continuing care in the community;
- ◆ build regional and other partnerships for health;

- ◆ make smart choices about the costs and benefits of health services;
- ◆ build a sustainable health workforce; and
- ◆ be ready for new risks and opportunities.

Health Services have prepared five year strategic plans which will deliver Government and State Health Plan priorities.

Health Investment and Reinvestment

In 2007-08, work will be escalated to align resources to NSW Health's seven strategic directions. This will involve improving hospital productivity, reviewing and reforming services in light of current evidence and best practice, greater investment in early intervention and prevention activities and increasing the emphasis on health care at home.

NSW Health has redirected \$70 million in savings in 2006-07 and thereafter to an increasing a range of frontline services including joint replacement, neurology, surgery, chronic disease, cardiology and gastroscopy, by reducing over 1,000 administrative positions.

The establishment of HealthSupport as a single State-wide coordinator of linen services, food services, procurement, payroll and accounts management is expected to deliver further efficiency savings for re-direction to frontline health services.

2007-08 BUDGET

Total Expenses

The NSW Government is advancing its record of first class health service delivery through a range of innovative and significant health initiatives for the people of New South Wales.

In 2007-08, NSW Health recurrent expenditure is budgeted to reach \$12.5 billion, an increase of \$830.9 million or 7.1 per cent over the 2006-07 Budget. Health spending represents around 28 per cent of the total NSW State Budget, up from around 24 per cent in 1996-97. In per capita terms, health expenditure in the 2007-08 Budget equates to approximately \$1,800 for every person in New South Wales.

Healthier Communities

The NSW Government will commit \$14.2 million over four years to establish the NSW Statewide Eyesight Pre-Schooler Screening (StEPS) program, which will enable all children to have access to vision screening before they attend school. Commencing in 2007-08, the StEPS program will be delivered as part of the child's four-year-old health check, recommended for all children as part of their NSW Personal Health Record (PHR), also known as "the Blue Book".

Also commencing in 2007-08, a total of \$1.4 million over four years will be spent in providing up-to-date parenting information, which will be available through an updated Personal Health Record (PHR) and through the new resource *Having a Baby*.

A revised PHR has recently been released and is designed to be more user friendly and contain updated resources and information for parents to document their child's progress.

Having a Baby provides information for women on maximising their health during pregnancy and on caring for their newborn in the early days after birth. The 152-page guide covers a wide range of topics such as choices for pregnancy care, labour and birth, the needs of partners and guidance for women about lifestyles considered risky during pregnancy involving alcohol, smoking and drug taking.

Live Life Well

In 2007-08, NSW Health will embark on historic measures to address health risk factors and advance community understanding of:

- ◆ overweight or obesity conditions;
- ◆ physical inactivity;
- ◆ unhealthy diet;
- ◆ smoking;
- ◆ risk drinking; and
- ◆ falls in the elderly.

Under the Australian Better Health Initiative, NSW Health is contributing more than \$6.5 million over four years to support a national campaign to promote the importance of physical activity and healthy diet in reducing chronic disease. NSW Health will also pilot a large diabetes prevention trial, providing those at high risk of diabetes with an intensive lifestyle intervention.

For children, NSW Health will continue the push for healthy school canteens in NSW, rolling out a new booster program targeting schools most in need. For the elderly, NSW Health will expand exercise programs for older adults to limit risk of falls.

While NSW has experienced significant success in reducing the number of smokers in the general population, more needs to be done. NSW Health in partnership with the Cancer Institute will now target groups within the community where the smoking rate is still too high, including training Aboriginal health workers to provide smoking cessation advice to their clients.

Better Integrated Health Care

After-Hours General Practice Services

New after-hours GP clinics are being established to improve access to affordable GP services after-hours. This not only takes pressure off busy emergency departments but also enables communities to be treated in the most appropriate clinical setting. After-hours GP clinics can be particularly important for rural communities where the emergency department and ambulance service are the only 24-hour health care services.

In 2007-08, after-hours GP clinics will be opened at Shoalhaven, Dubbo, Broken Hill and Ryde Hospitals.

Integrated Primary Health and Community Care Services

HealthOne NSW will see the development of comprehensive patient-centred care through a strong, integrated and sustainable primary health care sector.

HealthOne NSW services will involve integration of public and private sector general practices and other health care professional services and focus on health promotion and protection to ease the burden of ill health, especially that of chronic disease.

The first HealthOne NSW service opened in Mt Druitt in early 2007 with planning well advanced for services at Corowa, Cootamundra, Molong, Rylstone and Manilla. These services will open progressively, with Rylstone expected to open in December 2007.

Council of Australian Governments - Health Reforms

As agreed through the Council of Australian Governments (COAG), New South Wales is committing significant resources during 2007-08 to progress a range of initiatives including:

- ◆ National Health Call Centre Network: \$25.6 million over four years to enable people anywhere in Australia to access nurse-based telephone triage and health advice 24 hours a day, seven days a week.
- ◆ Electronic Health Record: New South Wales is committing \$21.7 million over four years to support the National E-Health Transition Authority (NEHTA) develop and implement infrastructure and individual and provider identifiers to enable sharing of electronic health information across Australia.
- ◆ Australian Better Health Initiative: New South Wales is committing \$83.7 million over four years to reduce the burden of chronic disease such as diabetes, stroke and vascular disease by promoting disease prevention, early intervention and self management.

COAG agreed in April 2007 to a range of initiatives to address the growth in Type 2 diabetes. The NSW Diabetes Action Plan addresses:

- ◆ primary prevention including the Good for Kids, Good for Life initiative, Australia's biggest trial of childhood obesity interventions;
- ◆ early detection and intervention through the pilot Healthy Living Program, an intensive lifestyle intervention for people at high risk of diabetes; and
- ◆ integrated care for people with Type 2 diabetes through the Health Care at Home program, which provides rehabilitation and self-management support.

Increased Capacity

Mental Health Improvements

The 2007-08 Budget will see the next stage of the roll-out of the Government's \$939 million five year commitment under NSW: A New Direction for Mental Health. Major initiatives under this package and other recent announcements include:

- ◆ an additional \$5 million per year for the award-winning Mental Health Housing and Accommodation Support Initiative (HASI);
- ◆ an additional \$1.5 million for expansion of the NSW Family and Carer Mental Health Program;

- ◆ \$2 million to support the work of frontline mental health non-government organisations;
- ◆ \$3 million in ongoing annual funding for the Recovery and Resource Services Program to improve access to community, social, leisure and recreational opportunities and vocational services for people with a mental illness;
- ◆ new Safe Start funding of \$3.5 million over four years to expand psychosocial assessment and depression screening for all pregnant and postnatal women, as part of an enhancement to the Families NSW Program; and
- ◆ \$5.3 million in 2007-08 for roll-out of the Mental Health Telephone Access Line which will provide a single state-wide number 24 hours a day for access to a professional mental health initial assessment and referral service.

Increased Access

Elective surgery

In 2007-08, the NSW Government will spend a further \$18.5 million to continue to address elective surgery waiting lists.

The funding will directly contribute to the NSW Government's priority of improving access to quality health care.

NSW Health will continue to collaborate with the NSW Health Surgical Services Taskforce to achieve and maintain a number of benchmarks relating to surgical service delivery including:

- ◆ an elective surgical cancellation benchmark rate of less than 2 per cent established from 1 July 2007;
- ◆ from 1 July 2007, a theatre utilisation benchmark of 80 per cent or greater;
- ◆ all patients who require surgery within 30 days must have their procedure booked to occur within that period by the seventh day; and
- ◆ all patients who require surgery within 12 months must have their procedure booked to occur within that period by the end of the ninth month.

More Dental Services

An additional \$4 million will be provided in 2007-08 (\$8 million per annum since the announcement in the 2006-07 Budget) for a range of dental workforce and infrastructure initiatives. In 2007-08, the budget for public oral health services will be over \$134 million.

Better Ambulance Services

NSW Government strategies to enhance Ambulance Officer numbers have already seen the number of frontline on-road Ambulance staff increase to 2,813 in March 2007, an increase of 12 per cent on July 2004. The 2007-08 Budget provides \$1 million for an additional 11 Ambulance officers.

From May 2007, new arrangements for emergency medical services helicopters in the greater Sydney region will see improvements in patient safety and increased access for people throughout New South Wales to emergency medical care. Under the new arrangements, the Ambulance Service will have access to helicopters with increased load capacity, greater range, better reliability, enhanced poor weather capacity, improved speed, and standardised fit-out and equipment.

Healthy at Home

Building on successful pilots in the Queanbeyan, Hornsby, Greater Newcastle and St George areas, the Healthy at Home Program provides \$18 million over four years from 2007-08 to assist the elderly stay out of hospital.

The program assists frail older persons in the community at the first signs of deterioration by providing access to healthcare workers and community case managers to meet the short and long term needs of clients and their carers. By intervening early, subsequent need for hospital admission is often averted.

Expanded Renal Services

Demand for renal services across NSW continues to grow. In response, the 2007-08 Budget provides an additional \$3 million to support patients with renal conditions.

Sustainable Workforce

Investing in Nurses

Education and training for nurses is a key focus for the Government.

From 2007-08, the Government will provide 800 scholarships for enrolled nurses and 800 scholarships for registered nurses at a cost of \$8 million over four years.

Professional development opportunities for 800 Nurse Unit Managers will be provided over four years commencing from 2007-08 to allow these important staff to enhance their skills and knowledge, and \$6 million over four years will be directed to establish 30 Nurse Practitioner positions in nursing and midwifery. From 2007-08, \$14 million will be spent over four years to create a further 80 Clinical Nurse Educator positions to increase nursing workforce skills and enhance patient safety. The role for enrolled nurses in specialist areas also will be expanded.

Funding of \$2.5 million over four years from 2007-08 will enable 125 rural midwives to undergo additional education and support a further 125 scholarships to attract midwives to rural communities.

The Government will provide \$2.8 million over four years from 2007-08 to support the Invest in Nursing in Schools program aimed at providing high school students with a head start in becoming nurses.

The rolling out of ten-hour night shifts has been an important ongoing initiative for the NSW Government. The 2007-08 Budget provides an additional \$3.6 million on top of \$3.6 million last year to introduce ten-hour night shifts in the Tamworth, Coledale, Murwillumbah and John Hunter Hospitals. The ten-hour night shifts program has been implemented across 52 sites as at March 2007.

In 2007-08, the Government will also spend \$46.5 million for ongoing initiatives to expand nurse numbers and enhance their clinical expertise.

Patient Focussed Quality of Care

NSW Health's Information and Communication Technology (ICT) Strategy will deliver more patient-focused and informed care leading to better patient outcomes by ensuring that information is available when and where it is needed.

Key initiatives for 2007-08 include:

- ◆ progressive State-wide implementation of the Electronic Medical Record (eMR) to manage patients more effectively and safely in the hospital environment by providing doctors, nurses and allied health clinicians the right information at the right time. eMR is the major component of an \$18 million Patient and Clinical Systems Program in 2007-08;
- ◆ evaluation of the Electronic Health Record (eHR) pilots targeting chronic disease in the Hunter and child health in Greater Western Sydney, to inform preparation for the state-wide rollout of the eHR; and
- ◆ commencing implementation of a Medical Imaging System that integrates digital imaging and radiology systems across New South Wales to better support remote diagnostic reporting by specialists and minimise delay and travel for patients in rural and remote areas. Funding of \$11.1 million will be provided in 2007-08 for this new works program.

Projects are also underway to provide the corporate systems and management information needed to manage the health system efficiently by implementation of:

- ◆ a State-wide Human Resources Information System to provide more effective management and support of the State's health workforce;
- ◆ a common system across New South Wales to improve patient billing and improve efficiency in recording all billable services, produce invoices and electronically submit claims against Medicare, the Department of Veterans' Affairs, health funds and other debtors;
- ◆ a Corporate Systems Information Strategy to provide the infrastructure supporting the Shared Corporate Services Program; and
- ◆ a Business Information Strategy to extend the availability of tools to support decision-making by frontline clinicians and begin the transition to a more responsive, flexible information infrastructure being accessible at all levels across the State.

CAPITAL EXPENDITURE

The NSW Government is committed to a capital works program for NSW Health of \$2.4 billion over the next four years. The 2007-08 capital program (including \$60 million capital expensing, and recognition of \$71.3 million for the Mater Hospital redevelopment as a Privately Financed Project) totals \$714 million.

- ◆ Major new works include planning the redevelopment of Narrabri Hospital, increasing the capacity of the Maitland Hospital Emergency Department and upgrade works at Ryde Hospital. New works will also include the implementation of statewide information systems to support clinical service redesign and corporate service delivery including Medical Imaging, Billing and the Business Information Strategy.
- ◆ Mental health remains a NSW Government priority and accordingly the Mental Health Capital Program will continue in 2007-08. This includes projects to expand capacity, improve infrastructure and establish additional mental health services. The projects include Forensic and Tertiary Mental Health Units at Bloomfield Hospital, Child and Adolescent Units at the Sydney Children's Hospital and at Shellharbour, and Non Acute Mental Health Units at Sutherland, St George, James Fletcher and Coffs Harbour Hospitals. Funds also have been allocated to commence planning on Stage 4 of the Program.
- ◆ Major projects introduced in 2006-07 will continue, including Auburn Health Services Redevelopment and Liverpool Hospital Redevelopment Stage 2. The 2007-08 Budget provides for continuation of large scale programs including major upgrading and redevelopment works within the Royal North Shore Hospital Redevelopment, the Newcastle Strategy, and the Western Sydney Strategy at Westmead.
- ◆ Major projects in regional New South Wales will also continue, including the Bathurst and Orange Campus Redevelopments, and Queanbeyan Hospital Redevelopment.
- ◆ The Rural Hospital and Health Service Program continues in 2007-08. Phase 3 of the Program comprises 14 rural and remote projects. Portland, Tullamore and Guyra were completed in late 2006 while construction of Dunedoo, Junee, Tottenham and Walcha will be finalised during 2007-08. Funds also have been allocated to commence planning Phase 4 of the Program.
- ◆ Support for cancer services continues with an ongoing commitment to breast cancer screening and radiotherapy services. A new program, to be administered by the Cancer Institute NSW, introducing digital imaging technology to enhance breast cancer detection will commence in 2007-08. The next phase of the radiotherapy services strategy will include expansion of existing services and replacement of linear accelerators in various locations.
- ◆ The Ambulance Service of NSW capital enhancement program will provide for construction of new ambulance stations at Nelson Bay and Deniliquin, and the upgrade of the Ambulance Computer Aided Dispatch System.

HEALTH CARE COMPLAINTS COMMISSION

The Health Care Complaints Commission is an independent statutory body reporting directly to the Minister for Health and to the Joint Parliamentary Committee on the Health Care Commission. The Commission is responsible for dealing with complaints against all health practitioners, hospitals, institutions and health programs in New South Wales to protect the health and safety of the public. The Commission's governing legislation is the *Health Care Complaints Act 1993*.

RESULTS AND SERVICES

The Commission contributes to an improved protection of the health and safety of the public by working towards the following results:

- ◆ The community has confidence that health care complaints reported are being properly investigated.
- ◆ Consumers have a positive and active role in their health care complaint outcomes.
- ◆ Health providers view health care complaints as a valuable tool to identify health service improvements.
- ◆ The community regards the Commission as the most effective means to prosecute serious cases of inappropriate health care.
- ◆ Systemic health care issues are addressed through recommendations to health service organisations.

Key services provided by the Commission which contribute to these results include:

- ◆ assessing, resolving and investigating health care complaints;
- ◆ providing community based complaint resolution services including facilitated conciliation processes; and
- ◆ rigorously prosecuting serious cases of inappropriate health care.

RECENT DEVELOPMENTS

The Commission is focused on investigating serious complaints about health service providers and has improved the handling and investigation of complaints.

Recent legislation will give the Commission power to investigate and impose prohibition orders on health practitioners who are a danger to the public and do not come within a statutory registration scheme.

STRATEGIC DIRECTIONS

In 2007-08, the Commission will focus on:

- ◆ continuing to improve and develop its complaint resolution, investigative and prosecution services;
- ◆ further developing its capacity to make effective recommendations to improve the delivery of health services;
- ◆ developing effective processes to manage complaints about unregistered health practitioners; and
- ◆ improving the Commission's business processes, particularly in the area of case management and performance tracking through enhancements to its Casemate computer system.

2007-08 BUDGET

Total Expenses

Estimated total expenses of the Commission in 2007-08 are \$10.6 million.

Capital Expenditure

There are no major asset acquisitions planned for 2007-08.

CANCER INSTITUTE NSW

The Cancer Institute NSW was established in July 2003 by the *Cancer Institute NSW Act 2003* as a response to the need to further decrease the devastating impact of cancer on our society. The life time risk of cancer is one in two for men and one in three for women. Under this legislation, the Cancer Institute NSW is charged with substantially improving cancer control in New South Wales.

The Cancer Institute NSW is being reported for the first time in the Budget Papers as a general government non-budget dependent agency. Funding for the Cancer Institute NSW is predominantly derived from a grant from the Department of Health.

RESULTS AND SERVICES

The Cancer Institute NSW contributes to decreasing the impact of cancer on our society by working towards the following results:

- ◆ Incidence of cancer in the community is reduced.
- ◆ Likelihood of cure and longer survival is increased.
- ◆ Quality of life for cancer patients and their carers is improved.
- ◆ Research discoveries are translated into effective clinical practice, preventative and early detection measures.

Key services provided by the Cancer Institute NSW to contribute to these results include:

- ◆ preventative campaigns targeting reductions in risky behaviours, and funding of programs to support smokers seeking to quit smoking;
- ◆ management of screening services to ensure effective delivery to detect cancers early to enable early intervention and treatment;
- ◆ promotion of improvements in clinical practice by developing, coordinating and funding strategic programs to redesign clinical care;
- ◆ funding research programs to enable translation of research discoveries into more effective clinical practice; and
- ◆ collection and analysis of cancer information to support improvements in clinical practice.

RECENT DEVELOPMENTS

The BreastScreen and Cervical Screening programs previously managed by the Sydney West Area Health Service were transferred to the Cancer Institute NSW from 1 July 2005.

Additional funding and effective management of screening programs have resulted in:

- ◆ an increase of 7 per cent in the proportion of women aged 50-69 who have had a mammogram in BreastScreen NSW since July 2005;
- ◆ a reduction of 18 per cent in breast cancer and 52 per cent in cervical cancer mortality rates over the last ten years, mainly due to screening; and
- ◆ development of web-based treatment modules on cancer incidence, mortality and treatment (containing more than 350 cancer treatment programs) which are currently receiving over 300,000 hits per month by patients, doctors, nurses and carers.

The Tobacco Prevention initiatives undertaken by the Cancer Institute NSW have delivered significant results:

- ◆ Calls to the Quitline more than doubled since 2003, as a result of mass media campaigns on tobacco run by the Cancer Institute NSW, to over 58,000 in 2006.
- ◆ An estimated 150,000 smokers have reported quitting in the last three years.
- ◆ Smoking rates in NSW have fallen to the lowest levels recorded. The 2007 New South Wales Population Health survey estimated 17.7 per cent of adults smoke but only 13.9 per cent of people, including 12.9 per cent of women and 15 per cent of men, smoke every day.
- ◆ The 4.6 per cent reduction in smoking rates in the last three years is estimated to save the NSW community between \$2.2 billion and \$5.3 billion over the next 20 years. The Australian Institute of Health and Welfare has estimated that every dollar spent on tobacco control saves two dollars in direct health costs.

STRATEGIC DIRECTIONS

A NSW Cancer Plan for 2007-10 has been developed by the Cancer Institute NSW following a consultative process with relevant stakeholders. The initiatives from this plan will enable the Cancer Institute NSW to achieve the planned results in cancer services and outcomes. Key initiatives include:

- ◆ a continued strong focus on successful tobacco control programs with savings in health costs;

- ◆ expansion of other cancer prevention programs with an increased focus on sun exposure risk and lifestyle cancers, caused by alcohol, obesity and lack of physical activity;
- ◆ continued promotion of the benefits of screening for breast and cervical cancers and a new focus on the Commonwealth Government's bowel cancer screening program to detect small curable cancers;
- ◆ development of smarter care models and a Cancer Services Accreditation Program to improve the quality and efficiency of cancer services;
- ◆ establishment of the NSW Cancer Trials Network to apply new research discoveries directly to more effective treatment as quickly as possible;
- ◆ expansion of cancer information databases to include cancer screening and hereditary cancers, and improved dissemination of information to researchers, government and practitioners; and
- ◆ increased partnering with the private sector to leverage their skills and expertise and use their capacity to reduce health costs.

2007-08 BUDGET

Total Expenses

Total expenses for the Cancer Institute NSW in the 2007-08 Budget are \$134.3 million. \$118.6 million or 88 per cent of these expenses will be for clinical responsibilities which relate to funding of initiatives in the Area Health Services and hospitals. Significant areas of expenditure in 2007-08 will include:

- ◆ Prevention programs developed and coordinated by the Cancer Institute NSW which have been allocated \$18.0 million in 2007-08.
- ◆ Screening programs which have been allocated \$49.5 million for 2007-08. \$46.7 million of this allocation relates to BreastScreen and Cervical Screening. The Cancer Institute NSW will allocate \$5 million to achieve improved breast screening participation rates through enhanced services and awareness campaigns.
- ◆ Cancer Services and Education for which the budget for 2007-08 is \$29.5 million. This includes approximately \$11 million for approved ongoing funding for positions such as lead clinicians, care coordinators and cancer service development managers in the Area Health Services for improved cancer treatments. This also includes a \$5 million allocation to radiotherapy operating expenditure in public hospitals.

- ◆ A budget allocation in 2007-08 of \$27.6 million for research activities to fund various research programs to enable translation of new cancer research discoveries into more effective clinical practice.
- ◆ An allocation of \$9.9 million to cancer information and registries in 2007-08. This includes the Central Cancer Registry, the Pap Test Registry and the Hereditary Cancer Registry.

The 2007-08 Budget will see the roll-out of the Government's commitment to expand BreastScreen services. The introduction of digital mammography imaging technology will provide faster results and improve breast cancer detection. The desired outcome is for the x-ray or mammogram to be able to be electronically sent across the state or elsewhere to ensure the doctor or patient can get the images as quickly as possible.

The expansion of services will be rolled out in three stages, with stage one covering locations in Western Sydney and Tamworth in the first year. The rest of the State will be covered in 2008-09. The program is administered by the Cancer Institute NSW through funding from Department of Health.

Capital Expenditure

The proposed capital expenditure for the Cancer Institute NSW in 2007-08 is \$2 million with:

- ◆ \$1 million for the redesign of the Cancer Registry, enabling electronic transmission and recording of incidences to provide quicker, accurate and more enhanced information;
- ◆ \$0.2 million for the Cancer Institute Standard Cancer Treatment Protocol information technology redevelopment;
- ◆ \$0.5 million for research software for ethics, grant applications and clinical trials; and
- ◆ \$0.3 million for the design and implementation of the Institute's website, intranet and extranet.