

Department of Health Briefing

8 August 2024

Health Service Budgets

Summary of the 2024/25 Model Budgets and Action Plans

Health Service Budgets | Additional funding for 2024-25

Today's announcement comprises an additional **\$1.5 billion in 2024-25** for public health services. This funding supports:

Maintain 2023-24 Activity

\$1.32 billion in funding to **enable the maintenance of 2023-24 activity levels** at the 2024-25 Victorian Efficient Price & additional funding for block funded health services.

210,000 Planned Surgeries

\$115 million to maintain the record level of **planned surgery delivered in 2023-24**; including maintaining Public Surgery Centres and Rapid Access Hubs.

No Frontline Staff Reductions

A commitment to ensure there are **no reductions in clinical roles as a result of the cost control measures** in place across the sector.

Balanced budgets in 2024-25

Place health services on a sustainable financial footing and **achieve a balanced financial result** in 2024-25

Health services will receive **headline budget outcomes** the week of 12 August; with **full parameter sheets** issued by the end of August 2024.

Hospitals Victoria | Performance oversight of hospital finances

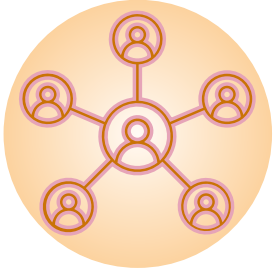
- Hospitals Victoria will be tasked with supporting hospitals to deliver quality care as effectively and efficiently as possible.
- Siva Sivarajah will be the CEO of Hospitals Victoria reporting to the Secretary of the Department of Health.
- Hospitals Victoria will drive greater financial sustainability in the system, and partner with you on financial management initiatives.

Next steps: We will work with each health service over the coming week to finalise individual budgets and agreed activity targets.

Health Services Plan

Summary of the Final Report of the Expert Advisory Committee

The Committee has recommended **three key pillars** for a future system able to improve equity and access to healthcare



Local Health Service Networks

Each Network is a geographically defined grouping of health services, responsible for:

- meeting their communities' care needs as close to home as possible
- supporting more equitable and consistent care for patients
- increasing consistency of quality and safety of care
- strengthening workforce attraction, retention and support

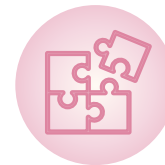
The Expert Advisory Committee recommended that Networks be formed through consolidation of existing health services.



Relationships with major tertiary hospitals

Each Network will have a formal relationship with a major tertiary, a women's and a children's hospital supporting:

- Clear and timely referral pathways for high complexity care
- Access to specialist expertise
- Professional development
- Access to research



Role delineation framework

- Defines roles and responsibilities of each health service site in providing safe and sustainable care
- Guides community and clinical expectations of what care should be provided locally.

While the Committee's scope focuses on the health services system, its recommended reforms are a foundational step for broader cross-sector integration in the future.

Local Health Service Networks will bring health services together to better meet the needs of Victorians

Networks will:



improve equitable **access to care** and **logical patient pathways** across regions



reduce variation in the **quality and safety** of care



deliver consistent and coordinated **workforce support**



support **population and public health** in collaboration with relevant providers in their region



provide a coordinated approach to **integration across sectors**



drive consistent access to **research and clinical trials**



deliver **clinical and non-clinical support services** efficiently at scale



- Government will accept or accept in principle 26 of 27 recommendations.
- The recommendation relating to directed consolidations of health services has not been accepted.
- Local Health Service Networks will be established to directly influence whole of populations health outcomes in their region.
- Government will not be forcing consolidations. Any consolidation will be voluntary and led by health services and communities.

Next steps

- We encourage you to discuss the Health Services Plan with your staff and community.
- The department will provide further advice in the near future on the process and support for those choosing to consolidate.

Questions
