



Australian Government
Department of Health

Department of Health **CORPORATE PLAN 2016–17**



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Department of Health **CORPORATE PLAN 2016–17**



Message from the Secretary

The pace and scope of reform, both internal and external, currently under way at the Department of Health, continues to build. This is being driven by a renewed energy, optimism and innovation across the department, with staff at all levels actively engaged in achieving our vision — better health and wellbeing for all Australians, now and for future generations.

The year ahead will build upon substantial changes started last financial year. Externally, reform initiatives include primary health care, mental health care, Medicare, the Pharmaceutical Benefits Scheme, private health insurance, aged care, and digital health.

We continue to coordinate reforms on behalf of all Australians. Our focus is on reducing fragmentation and duplication, to make our health system more cohesive, connected and efficient. This will especially benefit the one in two Australians living with chronic conditions such as diabetes, asthma, heart disease, respiratory illness and mental illness. People who are in good health will also benefit from prevention programs, improved screening and detection, and initiatives to support healthier lifestyle choices.

We continue to strive to close the gap in health outcomes and life expectancy between Aboriginal and Torres Strait Islander people and non-Indigenous Australians. We know that there is still a way to go in key areas and a range of national partnerships and initiatives under the 10 year *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013–2023* will help us get there.

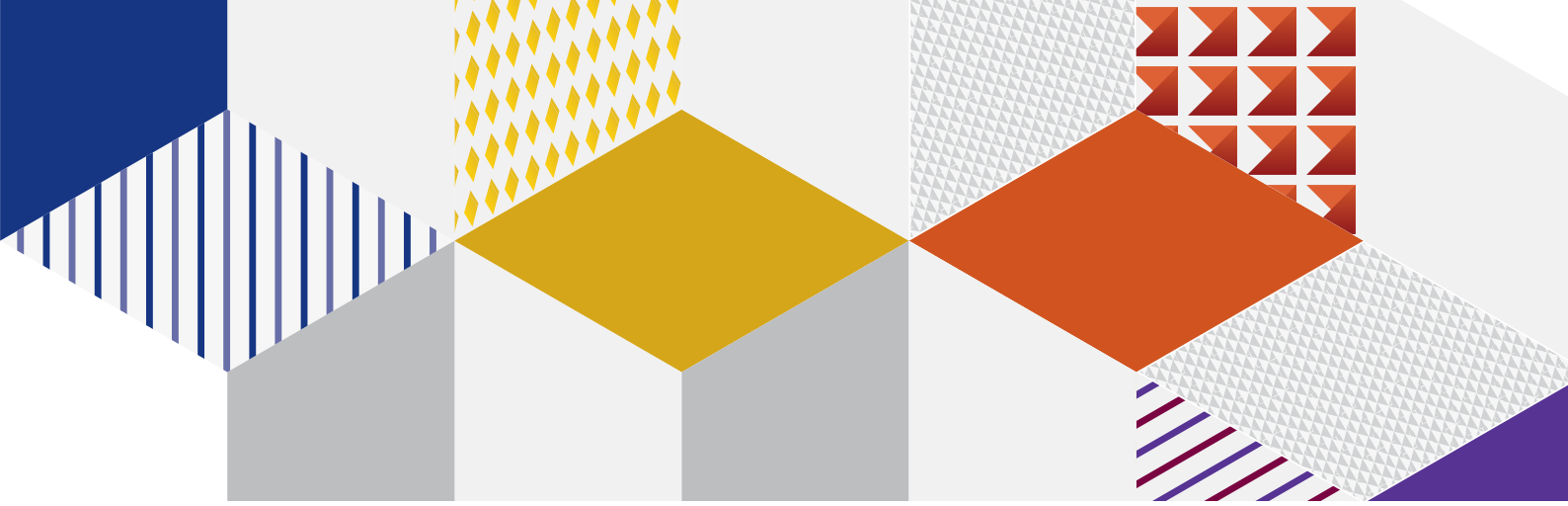
Internally, a new operating model — where corporate services are centralised with a greater customer focus — is being delivered. Underpinning this is Health's ongoing cultural transformation towards becoming an employer of choice.

This Corporate Plan is our principal planning document. Over the next four years, it will guide us, as both individuals and as an organisation, to achieve our Strategic Intent. Working closely with stakeholders and the community, we will continue to lead and shape the 21st century health system for Australia.

As the accountable authority of the Department of Health, I present the *Department of Health Corporate Plan 2016–17*, which covers the periods of 2016–17 through 2019–20, as required under paragraph 35(1)(b) of the *Public Governance Performance and Accountability Act 2013* (PGPA Act).



Martin Bowles PSM
Secretary
August 2016



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1. Introduction

This Corporate Plan (the Plan) describes our current position, informed by the department's *Strategic Intent 2016–20* (see Appendix A), and sets out the objectives and strategies we will pursue to achieve our purpose.

The four year horizon for the Plan outlines the department's medium-term direction to deliver on the Government's health, aged care and sport agenda, including detail about our significant activities, capability and risks.

While the Plan spans four reporting periods, it will be updated annually. As such, it is expected that the Plan will evolve over coming years as the department works toward its vision, adapts to emerging priorities and continues to implement change.

Content from this Plan is drawn from existing departmental documents and frameworks and the *2016–17 Health Portfolio Budget Statements*.

The Plan is a central part of the department's business planning and performance framework, and will support planning activities across the organisation.

The Plan has been prepared to meet requirements defined in the *Public Governance, Performance and Accountability (PGPA) Rule 2014*.



Left to right: Mark Cormack, Andrew Stuart, Alison Larkins, John Skerritt, Martin Bowles, Margot McCarthy, Paul Madden, Wendy Southern and Tony Hobbs.



2. Purpose

Our vision

Better health and wellbeing for all Australians, now and for future generations.

Our purpose

Lead and shape Australia's health and aged care system and sporting outcomes through evidence-based policy, well targeted programs and best practice regulation.

Our strategic priorities



Better health and ageing outcomes and reduced inequality through:

- ▶ An integrated approach that balances prevention, primary, secondary and tertiary care;
- ▶ Promoting greater engagement of individuals in their health and health care; and
- ▶ Enabling access for the most disadvantaged, including Aboriginal and Torres Strait Islander people, people in rural and remote areas, and people experiencing socio-economic disadvantage.



Affordable, accessible, efficient, and high quality health and aged care system through:

- ▶ Partnering and collaborating with others to deliver health and aged care programs;
- ▶ Better, more cost-effective care through innovation and technology; and
- ▶ Regulation that protects the health and safety of the community while minimising unnecessary compliance burdens.



Better sport outcomes through:

- ▶ Boosting participation opportunities for all Australians;
- ▶ Optimising international performance; and
- ▶ Safeguarding integrity in sport.

We will achieve this through our six department outcomes:

1. Health System Policy, Design and Innovation
2. Health Access and Support Services
3. Sport and Recreation
4. Individual Health Benefits
5. Regulation, Safety and Protection
6. Ageing and Aged Care



3. Environment

The department

The department is committed to achieving its vision of better health and wellbeing for all Australians, now and for future generations. This will be achieved through working towards our three strategic priorities:

- ▶ Better health and ageing outcomes and reduced inequality;
- ▶ Affordable, accessible, efficient, and high quality health and aged care system; and
- ▶ Better sport outcomes.

The department contributes in different ways to supporting the health and aged care system as a whole — developing policy, providing funding and performing a regulatory role. The department also supports and partners with state and territory governments, non-government-organisations (NGOs) and private entities.

For example, state and territory government are responsible for delivering efficient public hospital services. The department's role is to work with them and Commonwealth entities¹ to support the efficient pricing, funding, delivery, performance and reform of public hospitals. In this case, the responsibility for delivering efficient public hospital services is shared by state and territory governments, Commonwealth entities and the department.

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“We will work collaboratively with governments and agencies, both locally and internationally, to deliver improved health outcomes, containment of disease and excellence in health service delivery.”

Dr Tony Hobbs
Acting Chief
Medical Officer

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¹ Independent Hospital Pricing Authority (IHPA)
National Health Funding Body (NHFB)
Australian Institute of Health and Welfare (AIHW)
Australian Commission on Safety and Quality in Health Care (ACSQHC)



Total expenditure on health
\$154 Billion²



24.7c
in every tax \$1
goes to Health³



9.8%
of GDP⁴



\$6,639
per
capita⁵



almost 1 in 6 people
aged 18 and over (17%)
consume more
than 2 standard drinks
per day on average,
exceeding the lifetime
alcohol risk guidelines⁷



1 in 5 has 2 or more
**chronic
diseases⁶**



63%
of Aus adults
are overweight
or obese⁸



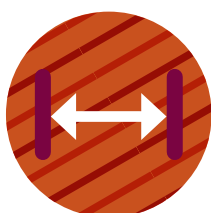
27%
of children
are overweight
or obese⁹



Medicare
is being billed
more than
1 million times
each day¹⁰



**1 in 2 Australians have
a chronic disease¹¹**



~10 year
life expectancy gap
between
Indigenous and
non-Indigenous¹²



almost
1 in 4 people
aged 18 and over
(23%) have
high blood pressure¹³



cancer
accounted for
about 3 of every
10 deaths (30%)
registered in Australia¹⁴

² AIHW 2015. Health expenditure Australia 2013–14

³ AIHW 2015. Health expenditure Australia 2013–14

⁴ AIHW 2015. Health expenditure Australia 2013–14

⁵ AIHW 2015. Health expenditure Australia 2013–14

⁶ <http://www.aihw.gov.au/chronic-diseases/comorbidity/>

⁷ Australian Bureau of Statistics (ABS) 2015 National Health Survey (NHS): First Results, 2014–15

⁸ ABS 2015. NHS: First Results 2014–15

⁹ ABS 2015. NHS: First Results 2014–15

¹⁰ Annual Medicare Statistics — Financial Year 2007–08 to 2014–15

¹¹ <http://www.aihw.gov.au/chronic-diseases/comorbidity/>

¹² Aboriginal and Torres Strait Islander Health Performance Framework 2014 report: detailed analyses. Measure 1.19: Life expectancy at birth

¹³ ABS 2015. NHS: First Results 2014–15

¹⁴ AIHW — Cancer mortality trends and projections: 2014 to 2025

Australia's health system

Australia's health system is made up of people, institutions and resources that deliver and regulate health care services and products to meet the needs of our population. Traditionally, analysis of health systems focused on how 'the patient' interacts with institutions — dividing care into primary, secondary and tertiary care. However, many types of health care are now delivered in new ways, often outside traditional health facilities, and to individuals who would not consider themselves 'patients'. In addition to practitioners in health care organisations, health professionals provide services in residential and community settings and support self-care, home care, long term care, assisted living, rehabilitation and other community settings (e.g. substance use, maternal and child health, women's and men's health). Likewise, aged care is being transformed from a system where consumers received set services with little choice or control, to a system that is more responsive to consumers' needs and preferences. This new system recognises approaches that improve older people's quality of life, as well as supporting people in the final stages of their lives. Key functions within the health and aged care system include oversight (e.g. stewardship, policy and regulation), service provision, financing, and resource management (e.g. pharmaceuticals, medical equipment and information).

The key functions and components of the Australian health and aged care system are not centralised. The system is a complex network with many players that need to work with each other, including:

- ▶ patients, families and communities;
- ▶ health departments at both the Commonwealth and state and territory level;
- ▶ health and aged care providers;
- ▶ health service organisations;
- ▶ private companies, such as pharmaceutical companies; and
- ▶ other organisations, including peak bodies and advocacy groups.

Australia's health and aged care system is a mix of Commonwealth and state and territory government policy development and regulatory responsibility. Services are delivered through both the public and private sector, with funding provided by all levels of government, private insurers, NGOs and individuals. Public hospitals are jointly funded by Commonwealth and state and territory governments, with the latter the 'system managers'.

Evaluation, health and aged care system performance data and health and medical research help to inform change within the health system. While the system is complex and faces challenges, the department is committed to an agile, evidence-based and data driven approach, working with stakeholders to ensure the system continues to improve health outcomes and quality of life for all Australians.

By international standards the Australian health system is considered one of the best in the world, and more successful than some comparable countries in contributing to rising life expectancy and achieving a balance between equity and choice.

The Health Landscape adjacent provides a graphical representation of Australia's health system.



Our commitment

Over the next four years, the department is committed to:

- ▶ Shaping the future of the health and aged care system to ensure the needs of Australians are met;
- ▶ Working with our external stakeholders to understand challenges within the health and aged care system and how they can be addressed;
- ▶ Placing the consumer, rather than the provider, at the centre of the health and aged care system;
- ▶ Working to provide affordable essential services, including subsidies for primary care and specialist services under the Medicare Benefits Schedule (MBS), subsidised pharmaceuticals under the Pharmaceutical Benefits Scheme (PBS), and home and residential care;
- ▶ Continuing to provide an appropriate level of regulation to ensure the safety of Australians, alongside timely access to new products and services, and enabling people to have choice and control over the services they receive;
- ▶ Reforming the health and aged care system to ensure that it is affordable for government and consumers, offers consumers choice and flexibility and encourages businesses to invest and grow; and
- ▶ Continuing to ensure Australia's health and aged care system supports all Australians, and that initiatives are put in place to improve outcomes for Aboriginal and Torres Strait Islander people, and people who live in rural and remote areas.

“Continual collaboration with all stakeholders is key to the way we do business. Understanding different perspectives and building relationships across the health system will enable us to deliver better health outcomes for all Australians.”

Dr Wendy Southern
Southern
Deputy Secretary
National
Programme
Delivery

Challenges

Australia's health and aged care system will need to address a number of challenges over the coming years if it is to continue to provide better health and wellbeing for all Australians, now and for future generations.

System sustainability

Health costs are continuing to climb. Policy makers must ensure that the substantial spending on health is delivering value for money.

The increase in cost is due to a range of factors, including:

1. The **rapid uptake of new often expensive technology** is driving up the cost of service delivery and treatment. It is also creating a tension between demand for early access to new products for patients and ensuring products meet requirements for quality and safety.
2. Australians are living longer than ever, reflecting the high quality health outcomes achieved by the health and aged care system. However, the system will need to address the impact of an **ageing population**, which will mean more people require care, including palliative and end-of-life care. Associated conditions, such as dementia, are also becoming more prevalent.
3. **Chronic conditions** placing a growing burden on the health and aged care system. One in two Australians suffer from chronic conditions — such as heart disease, respiratory illness and mental illness. One in five Australians suffer from multiple chronic conditions. In 2011, chronic conditions accounted for 90 per cent of all deaths in Australia.
4. Some health **infrastructure** (such as hospitals and residential aged care facilities) requires long term investments that have to be financed primarily from within annual budget cycles.

System fragmentation

There is a risk that fragmentation of the health and aged care system leads to both duplication and waste or, at the other extreme, to gaps in the delivery of services. The complexity of the system can make it difficult for patients and their families to find their way to the right care. Access to care is further complicated by a diverse geography and an uneven population distribution. Variations in clinical practice may also mean that people with similar conditions get different standards of care. The suite of programs across the aged care system may not reflect consumers' needs and preferences.

The department is committed to working with all levels of government to provide funding, policy, regulation and guidance on managing the health and aged care system to minimise system fragmentation.

Learning from experience

Despite substantial health and medical research, there is still considerable uncertainty over which policies work best in delivering health and aged care that is high quality, safe, effective, affordable, equitable and provides a good patient experience.

Optimising policy in one area may cause disruption in other parts of the system, or have unintended consequences including poorer overall health system performance. This underscores the importance of:

- ▶ taking a whole of system approach;
- ▶ understanding inherent risks; and
- ▶ using data and international experience to guide decisions.



Health and aged care system funding

The Commonwealth Government provides funding for medical, dental and pharmaceutical benefits, private health insurance subsidies, university training places for health workers, vocational training and support, health workforce distribution programs, and health and medical research. It also funds a diverse range of health-related programs, including specific programs targeted for Indigenous Australians, public health and health protection.

State and territory governments fund and provide a broad range of health services including public hospital services, specialist mental health services, ambulance services, primary health care, community health, environmental health and public health services. They also help train health workers through clinical training in public hospitals, and regulate private hospitals.

The Commonwealth Government funds aged care through residential aged care and programs delivered by both not-for-profit and for-profit providers that help people to remain in their home. State and territory governments contribute a small amount of funding for aged care, particularly Western Australia.

The department has provided sports participation funding, invested in sport infrastructure, and in campaigns such as 'Girls Make Your Move', supported the staging of world class sporting events like the 2018 Commonwealth Games.

According to the latest information from the Australian Institute of Health and Welfare, expenditure on health goods and services by the Commonwealth and state and territory governments, individuals, private health insurers and other non-government funding sources, was estimated to total \$154.6 billion, or 9.8 per cent of Gross Domestic Product in 2013–14. This expenditure comprises a broad range of goods and services across the health sector including public and private hospitals, medical services (including dental), community health, pharmaceuticals and other medications, and aids and appliances, excluding expenditure on aged care.





In 2016–17, the Department of Health has budgeted to spend

\$81.3 Billion
on health and aged care



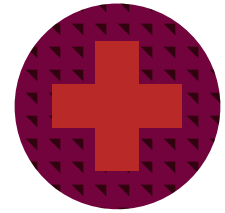
Private Health Insurance Rebate
\$6.2B



Pharmaceutical Benefits Scheme
\$10.1B



Medicare Benefits Schedule
\$21.9B



Hospitals
\$17.9B



National Partnerships
\$0.4B



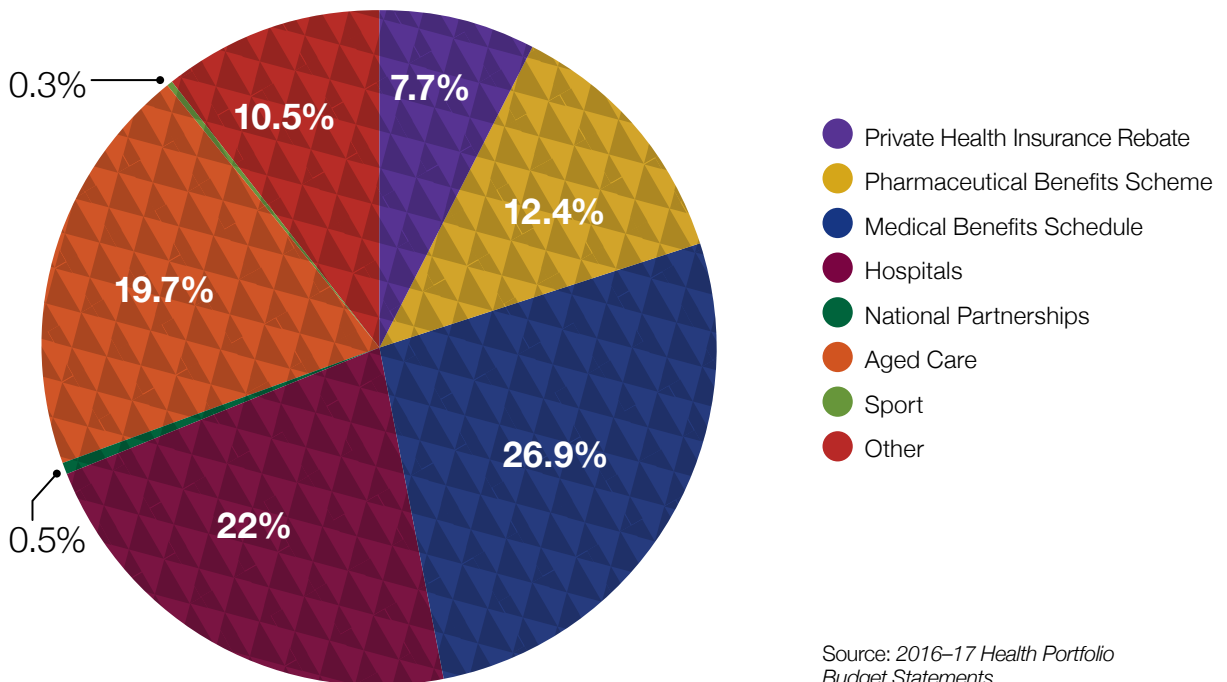
Aged Care
\$16.0B



Sport
\$0.3B



Other¹⁵
\$8.5B



Source: 2016–17 Health Portfolio Budget Statements

¹⁵Comprises of funding for a range of services and programs including training of health workers, indigenous programs, the Commonwealth Pharmacy Agreement, mental health services, hearing services and dental services

Sport

Sport has helped shape Australian culture and our way of life. It provides a key source of identity, a focus for national pride and community engagement. Participation in sport plays a significant role in health and wellbeing, including preventing chronic conditions, improving mental health and supporting personal development.

The Australian Government is committed to supporting sport in Australia from grassroots to elite levels through funding our best able bodied and disabled athletes and National Sporting Organisations, and working to increase participation in sport at a community level.

To maximise the various health, economic, social and cultural benefits sport provides, it is critical sport is conducted on a level playing field, and embodies the values of fair play, commitment, and sportsmanship. To this end the department is committed to safeguarding the integrity of sport in Australia and globally from threats such as doping, match-fixing, illicit drug use and criminal infiltration.

The department works closely with state and territory governments, the Australian Sports Commission (ASC), the Australian Sports Anti-Doping Authority (ASADA), sports federations, peak national bodies, institutes and academies of sport, and other organisations to facilitate initiatives that encourage increased participation in sport and physical activity, and ensure a competitive and clean Australian sports sector.

Major sporting events

The department provides strategic coordination of Australian Government involvement in major sporting events across departments responsible for national security, border control, aviation and maritime security, law enforcement, sports integrity, intellectual property rights protection, taxation, indicia and images, broadcast and radio communications. Upcoming events include:

- ▶ 2017 Rugby League World Cup;
- ▶ 2018 Gold Coast Commonwealth Games; and
- ▶ 2020 T20 Cricket World Cup.

As one of the largest sporting events in the world, the Commonwealth Games presents significant opportunities to boost participation in sports and active recreation, interstate and international tourism and to provide economic benefit to the Gold Coast, Queensland and Australia more broadly.

Working across government

There are other factors beyond expenditure on health and aged care that influence health outcomes. Education, employment, housing and social inclusion all have significant impacts on people and the way they live their lives, as do Australia's international commitments and obligations (such as Free Trade Agreements).

We will continue to work with Commonwealth and state and territory departments to coordinate efforts to improve health and aged care outcomes for Australians. Details on our linked programs are included in the *2016–17 Health Portfolio Budget Statements*. Partnerships include:

- ▶ The Department of Human Services to support cervical cancer screening and to administer the National Bowel Cancer Screening Register;
- ▶ The Department of Veterans' Affairs to provide access to pharmaceuticals and wound dressings for entitled beneficiaries;
- ▶ The Department of the Prime Minister and Cabinet in the delivery of Australian Government Indigenous programs;
- ▶ The National Mental Health Commission to improve mental health and suicide prevention systems;
- ▶ The Department of Social Services to improve access to services and support for people with psychosocial disability through the National Disability Insurance Scheme;
- ▶ The Department of Immigration and Border Protection to regulate drug importation and exportation;
- ▶ The Department of Industry, Innovation and Science to reduce smoking prevalence through compliance and enforcement of tobacco plain packaging;
- ▶ The Department of Environment to integrate environmental and health assessment of industrial chemicals;
- ▶ The Department of Agriculture on the human health aspects of biosecurity; and
- ▶ State and territory governments to deliver a range of services including child and adult public dental services, Home and Community Care services and expansion of the BreastScreen Australia program.



Australia's role globally

In an increasingly globalised world, it is vital that Australia's health policy responds to the evolving international context. Disease outbreaks can rapidly cross borders, as was highlighted by the Ebola outbreak in West Africa and the spread of Zika virus internationally. To protect the health of Australians, we play an active role in working with other countries to respond to emerging threats. This includes targeted bilateral relationships and active participation in various multilateral fora, to share knowledge and learn from the experiences of other countries, and to strengthen evolving health systems at the regional and global level.

We have a commitment to improving timely access to new health products such as medicines and medical devices through closer collaboration with comparable international regulators.

As a developed nation, we have a responsibility to help other countries, particularly those in our region, improve their health care systems. Through active engagement bilaterally and in fora such as the World Health Organization (WHO) and the Organisation of Economic Cooperation and Development (OECD), we not only fulfil Australia's responsibility to contribute to improving global and regional public health, but also contribute to policies and actions that help to advance the health and ageing of Australians.

The department supports global sport outcomes by co-ordinating the hosting of major events, fulfilling international obligations, and developing collaborative relationships in key international bodies and integrity forums such as the World Anti-Doping Agency (WADA) and the United Nations Educational, Scientific and Cultural Organisation (UNESCO), and the development of government-to-government sports agreements which advance Australia's skills capability in sport-related fields.



Image: Courtesy of Darryl O'Donnell, CEO Australian Federation of AIDS Organisations

4. Strategic priorities

A selection of the key activities and initiatives that will help achieve our strategic priorities over the planning period is provided below.



“We will strive to improve the wellbeing of older people through the use of evidence based funding, policy and regulation.”

Dr Margot McCarthy
Deputy Secretary
Ageing and Aged Care

Better health and ageing outcomes and reduced inequality

1. Provide an integrated, system-wide approach to the development of health and ageing policy.
2. Continue to improve continuity of care and coordination of services, and assist local communities and individuals to have greater decision-making power on what is needed in their area through:
 - ▶ Primary Health Networks that increase the effectiveness and efficiency of medical services and improve care coordination so people receive the right care at the right time;
 - ▶ Establishing Health Care Homes to improve care for those with multiple complex and chronic illnesses;
 - ▶ Implementing a new flexible primary mental health care funding pool; and
 - ▶ Continuing to implement actions set out in the *Implementation Plan for the National Aboriginal and Torres Strait Islander Health Plan 2013–2023*.
3. Develop and implement strategies to improve public health and the management of chronic conditions, including:
 - ▶ Continuing to help consumers make healthy lifestyle choices;
 - ▶ Delivering programs and communication campaigns aimed at discouraging the use and misuse of alcohol, tobacco, and prescription and illicit drugs;
 - ▶ Providing vaccines through the National Immunisation Program; and
 - ▶ Ensuring that people with chronic conditions have timely, reliable and affordable access to products and services, including appropriate and high quality care at the end of their lives.
4. Implement new funding arrangements in home care to provide consumers with greater control and choice over the services they receive.
5. Implement reforms to funding arrangements for rural and remote aged care services to better target supplementary funding.
6. Implement a new single National Cancer Screening Register that will support the National Cervical Screening Program and expansion of the National Bowel Cancer Screening Program.

7. Design and implement the Government's private health insurance reforms.
8. Support and improve the health workforce:
 - ▶ Through programs such as the Integrated Rural Training Pipeline initiative to help retain medical graduates in rural areas by better coordinating the different stages of training within regions and funding new places to help meet student demand; and
 - ▶ By working with the GP colleges to streamline accreditation arrangements for GP registrars and support 1,500 commencing GP registrars each year, with at least 50 per cent of all GP training to be undertaken in rural and regional areas.
9. Establish and support the new Rural Health Commissioner.

Affordable, accessible, efficient, and high quality health and aged care system

1. Participate in ongoing discussions with state and territory governments on ways to improve safety and quality and health outcomes while alleviating system cost pressures.
2. Align services with contemporary national and international evidence and improve health outcomes for patients, while identifying waste and efficiencies by:
 - ▶ Modernising Medicare arrangements;
 - ▶ Maintaining a robust health compliance framework to support the integrity of health providers claiming Medicare benefits, and providing assurance that fraud and non-compliance risk is effectively managed; and
 - ▶ Support longer term access to, and the sustainability of, the PBS.
3. Further develop the supporting and regulating infrastructure for aged care to enhance quality and increase consumer choice by:
 - ▶ Enhancing My Aged Care as a single point of entry for accessing aged care information, assessment and services; and
 - ▶ Developing quality indicators for home care and consumer experience, and quality of life tools for use in residential and home care.
4. Strengthen health and aged care services' capacity to provide high quality end-of-life care.
5. Reform the needs assessment for residential aged care to improve the accuracy and reliability of assessments, and minimise the need to make estimates variations in the future.
6. Implement the International Engagement Framework that outlines our objectives for engagement on global health issues.
7. Improve health outcomes through digital innovation and information sharing, such as the national participation strategy following the trials of participation (opt in/opt out) of My Health Record and the advancement of the National Digital Health Strategy and Policy.
8. Support the introduction of a new Child and Adult Public Dental Scheme.
9. Optimise regulatory processes and improve the way the department communicates with the public about the benefits and risks of therapeutic goods, controlled drugs, industrial chemicals and gene technology.
10. Implement a new regulatory framework for local production and manufacture to enhance patient access to medicinal cannabis.



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"We work to ensure essential medicines and medical devices, procedures and services are accessible to all Australians, used appropriately, at a cost the individual and community can afford."

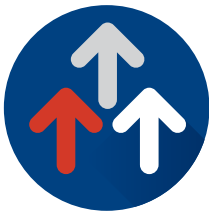
Andrew Stuart
Deputy Secretary
Health Benefits

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Better sport outcomes

1. Boost participation opportunities for all Australians, through supporting the ASC, state and territory governments and other stakeholders to further develop and promote strategies to encourage and implement increased participation in sport and physical activity.
2. Optimise international performance through supporting the ASC/Australian Institute of Sport (AIS) high performance programs, and state and territory sports academies and institutes.
3. Safeguard integrity in sport through close collaboration with National Sports Organisations, law enforcement, ASADA, state and territory governments and other national and international sports integrity bodies.
4. Support the implementation of the Australian Sports Diplomacy Strategy, a whole-of-government approach to grow the value and influence of Australia's sport credentials and assets internationally.



Our corporate priorities

1. Continue action to improve our leadership and culture, strategic capability, governance and delivery frameworks, risk management and stakeholder engagement.
2. Continue to develop self-service systems and tools for corporate functions, supported by improved information, to better enable employees to do their jobs, manage their business and meet their compliance obligations.
3. Actively contribute to the Australian Government's public sector data agenda, including the Digital Transformation Agenda for more digitised, streamlined and innovative interactions with the public.
4. Continue to invest in our policy and data analytics capabilities.
5. Undertake business improvement programs for our corporate activities to increase organisational efficiency and capability.
6. Implement the *People Strategy 2016–20* that will enable the department to shape the workforce to better deliver its outcomes.
7. Implement our new approach to risk management to further assist fostering a culture where we positively engage with risk and make decisions having considered our risk appetite.
8. Continue to streamline and improve our grants management processes, in line with the whole-of-government agenda, to reflect a strategic and risk proportionate approach to funding.
9. Shift from an enabling ICT platform strategy to business technology leadership, partnering and providing best practice support to the portfolio.



5. Capability

Organisational capability

The department will continue to build organisational capability to support delivery of our purpose. Key areas of capability improvement include:



▶ **Leadership & culture**

We will foster leadership through all levels and invest in a capable, agile and productive workforce.



▶ **Strategic policy**

We will continue to improve our strategic policy capability to develop innovative policy options and solutions to support an evolving health and aged care system.



▶ **Governance & delivery**

We will ensure the work of the department is supported by a contemporary governance framework; and corporate services that are client focused, professional and cost-effective.



▶ **Stakeholder engagement**

We will improve our engagement with stakeholders through better planning and coordination of our approach.



▶ **Risk management**

We will work to better understand risk and our approach to it will help us to address complex issues within the health and aged care system.

The department has undertaken a sustained program to improve its leadership capability and culture. A number of key initiatives have been implemented under the umbrella of the Health Capability Program (HCP) including:

- ▶ The department's *Strategic Intent 2016–20 and Behaviours in Action*;
- ▶ An external stakeholder engagement strategy supported by better practice system, tools and guidance material to refocus and strengthen relationships with external stakeholders;
- ▶ A departmental wide approach to strategic policy development (the Strategic Policy Environment) to ensure enhanced collaboration and consideration of the broader health and aged care system in policy development and to raise policy development capability; and
- ▶ Reform of the internal governance structures.

“We will continue to build our capability within the corporate and enabling areas to offer high quality services which support the department in meeting its purpose.”

Alison Larkins
Chief Operating Officer

People strategy

We will continue to improve the way we manage our workforce to ensure we are positioned to deliver the department’s purpose. The department’s *People Strategy 2016—20* outlines our approach to continuing to build a contemporary, capable, well led, talented, adaptive and flexible workforce. It has four key areas of action:

- ▶ Managing workforce composition and agility;
- ▶ Building the right capability;
- ▶ Continuing to improve our culture and leadership; and
- ▶ Investing in career and succession.

Improved cultural capability

The department is committed to embedding cultural capability in the department’s people practices, policies, programs and guidelines. This will reinforce positive relationships, create a culturally safe environment for the department’s Aboriginal and Torres Strait Islander staff and stakeholders, and ensure our outcomes are effective. This will be ongoing for individuals and the department, marked by:

- ▶ Developing our **cultural appreciation** through a commitment to ongoing training and cultural exchange;
- ▶ Promoting and developing **cultural capability** as a distinct and critical skillset; and
- ▶ **Reconciliation** through respect for, and recognition and acceptance of, the history, life circumstances, knowledge and skills of Aboriginal and Torres Strait Islander peoples.





6. Performance

The department recognises the importance of better measuring our performance and understands that this is something that will require substantial effort over a number of corporate planning cycles. We are working with our state and territory counterparts to measure whole of system performance, as part of the Performance and Accountability Framework under the National Health Reform Agreement.

The department will continue to re-examine our performance reporting and will look for more whole of system focused indicators, which will measure the impact of policy measures on the health and aged care system and individual health, recognising that many health outcomes are determined by factors outside the health and aged care system. The development of these indicators will help us to better understand whole of system implications.

The indicators listed against the department's strategic priorities are a mix of both contextual indicators, such as health and aged care outcomes, and performance indicators, such as those measuring systems and quality. The indicators listed are not exhaustive. They have been selected against what the department views as focus areas over the next four years.

The department will have differing roles and influence in contributing to achievement against these performance measures. Depending on the measure, the department will be either directly involved in developing policy, and/or performing a regulatory role. Successfully achieving other measures will rely on the department playing a supporting, partnering and/or influencing role with state and territory governments, NGOs and private entities.

.....

"We play many different roles within a complex system. Measuring our performance involves looking at how well we're delivering our programs, funding and regulatory activities, as well as the contribution we're making as a policy leader to health outcomes for Australians."

Mark Cormack
Deputy Secretary
Strategic Policy
and Innovation

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**Strategic Priority One:
Better health and ageing outcomes and reduced inequality**

Priority Area	Activity/ initiative/ focus area	Our role	Performance measure	Reporting period 2016–20
Preventive Health	Cancer	Contribute to the expansion of programs to provide effective cancer screening, early detection measures and support treatment options	Increased participation in cancer screening programs	Annually
			Reduction in deaths from bowel, breast and cervical cancer through prevention and early detection	Annually
			Increase in the number of people accessing treatment support services for youth, prostate and breast cancers	Annually
	Immunisation	Contribute to enhanced education and campaigns to increase the rates of vaccination	Reduction in the number of notified cases preventable via immunisation	Annually
	Avoidable risks	Promote healthy eating and lifestyles Contribute to reducing smoking and its associated health, social and economic costs, and the inequities it causes Support health promotion initiatives aimed at alcohol misuse and the use of illicit drugs	Halt the rising prevalence of adults who are overweight or obese	Annually
			Reduced rate of daily smokers	Annually
			Reduced rate of risky alcohol use and reduced rate of illicit drug use	Annually
Ageing & Aged Care System	System longevity	As the steward and major funder of the aged care system, promote a system that is responsive to consumers' needs and choices while ensuring that minimum standards are met	Aged care providers meet the required quality and prudential standards	Annually
			Increased access to aged care services and information through My Aged Care	Annually



Strategic Priority One:

Better health and ageing outcomes and reduced inequality (continued)

Priority Area	Activity/initiative/focus area	Our role	Performance measure	Reporting period 2016–20
Reduced Inequality	Individuals	Develop programs to improve health outcomes for Aboriginal and Torres Strait Islander people, people in rural and remote areas, and those experiencing socio-economic disadvantage	Halve the mortality gap for indigenous children under five by 2018	2016–17 2017–18
			Increased average number of years a person could expect to live if they experienced the age/sex specific death rates that applied at their birth throughout their lifetime	Annually
			Reduction in presentation of Type 2 diabetes	Annually
			Improved equity and access to health care	Annually
Digital Health	My Health Record	Continued and improved operation of the My Health Record	Increase in the number of consumers and providers using My Health Record	Annually
			Participation (opt-out and opt-in) trial findings inform future recommendations to Government to increase participation in, and meaningful use of, My Health Record	2016–17
	My Aged Care	Enhance My Aged Care	Increased access to aged care services and information through My Aged Care	Annually



Strategic Priority Two:

Affordable, accessible, efficient, and high quality health and aged care system

Priority Area	Activity/initiative/focus area	Our role	Performance measure	Reporting period 2016–20
Policy Development	Health system	Provide support to Council of Australian Governments (COAG) Health Council and the Australian Health Ministers' Advisory Council (AHMAC)	Australian Government health priorities are progressed through the COAG Health Council (CHC)	Annually
		Secure Australia's interests at relevant meetings of key international health bodies and organisations	Departmental representatives actively engage in meetings of the WHO governing bodies, OECD Health Committee, Asia-Pacific Economic Cooperation (APEC) Health Working Group and other international forums	Annually
Health & Aged Care Affordability	Private Health Insurance	Support affordable quality private health insurance	Increase in the percentage of Australians with private health insurance	Annually
	Medicare Benefits Schedule	Manage the MBS, including assessments of new services and the review of existing items	Continued review of MBS items to ensure they are safe, effective and cost-effective, with the majority reviewed by June 2017	2016–17 2017–18
	Aged care	Ensure that the aged care system is affordable for government, consumers and providers and that the system is accessible for those in need	Fewer hospital patient days (compared to 2014–15 financial year) used by people who would be eligible for residential aged care	Annually
			Improved equity of access to care for special needs populations	Annually
Improved outcomes for people who are financially disadvantaged and in need of residential-based care			Annually	
Health Workforce	Workforce capacity	Provide incentives to increase the health workforce presence in rural and remote regions	Increased ratio of nurses, GPs and specialists to population in regional and remote areas	Annually
Access to Health Services	Dental	Provide funding for the Child and Adult Public Dental Scheme	Increased access to public dental services provided by state and territory governments	Annually
	End-of-life care services & systems	Work with states and territories to strengthen end-of-life care services and systems	Increased upload of Advance Care Plans in My Health Record and timely referral to palliative care services	Annually
	Alcohol & other drug treatments	Fund service delivery relating to drugs and alcohol	Increase in the number of Commonwealth funded alcohol and other drug treatment episodes	Annually
	Elective surgery	Develop programs that contribute to improving hospital performance	Shorter waiting times for elective surgery in days	Annually
	Emergency department presentations		Reduced waiting times for emergency hospital care	Annually
	Mental health	Promote access to mental health services	Reduction in the proportion of adults with very high psychological distress	Annually



Strategic Priority Two:

Affordable, accessible, efficient, and high quality health and aged care system (continued)

Priority Area	Activity/initiative/focus area	Our role	Performance measure	Reporting period 2016–20
Reform & Regulation	Safety & quality	Enhance safety and quality in the health and aged care system, including hospitals, health services and health products	Australian hospitals and health services meet National Safety and Quality Health Service Standards, and adequate systems are in place to monitor and report on health products safety	Annually
			Aged care providers meet the required quality and prudential standards	Annually
	Regulation	Protect the health and safety of Australians through effective regulation	Timely advice is provided to Ministers on emerging issues	Annually



Strategic Priority Three:

Better sport outcomes

Priority Area	Activity/initiative/focus area	Our role	Performance measure	Reporting period 2016–20
Sport & Recreation	Integrity	Ensure Australia's anti-doping arrangements give effect to international obligations under the International Convention against Doping in Sport	WADA identifies Australia's anti-doping arrangements as consistent with the principles of the World Anti-Doping Code, as required by the Convention	Annually
	Water safety	Support Australian water safety organisations to meet the goals of the Australian Water Safety Strategy 2016–2020 through the delivery of programs aimed at reducing drownings and near drownings at beaches, rivers, other waterways and pools	Improved water safety outcomes in Australia	Annually
	Major sporting events	Lead and coordinate Australian Government support for the staging of major international sporting events in Australia	Major international sporting events including the Rugby League World Cup 2017 and Gold Coast 2018 Commonwealth Games are supported by Australian Government agencies in the planning and delivery phases	2016–17 2017–18



7. Innovation

“We will continue to evolve the open innovation culture and environment and expose opportunities where innovators will be able to showcase their potential health service improvement solutions.”

Paul Madden
Special Adviser
Strategic Health
Systems and
Information
Management

Innovation across the department and the health and aged care system

Over the next four years, the department will continue to contribute to the public sector innovation agenda, providing a key platform for developing and supporting innovative approaches at individual, organisational, health system and global levels.

The department will develop and implement an Innovation Strategy which builds and supports both our innovation culture and infrastructure. This will enable the department to be better positioned to drive change and to lead the Health strategic agenda and respond more efficiently and effectively to emerging health and aged care policy, program and service delivery challenges.





8. Risk oversight and management

The department encourages staff to positively engage with risk and to make decisions using a risk-based approach.

The department has recognised the need to work collaboratively, raise the appreciation of risk management, and identify where risks are shared across the Commonwealth, and state and territory governments, private sector, NGOs and individuals.

In 2016–17, the department will focus on ensuring a suite of updated risk management tools, including our Risk Management Policy, Risk Management Framework, Enterprise Level Risks, Risk Appetite Statement and supporting documentation guide the department's work.

Risk Management training will also be revised, allowing staff to participate in varied learning and development approaches to ensure staff are actively undertaking and understanding their roles and responsibilities under the PGPA Act.

Better learning and development and tools will assist our staff to understand how the department embraces risk and encourage a culture that shares information and empowers staff to openly discuss and engage with risk.

Risk management framework

The department's risk management framework aligns with broader requirements such as the Commonwealth Risk Management Policy and the *AS/NZS ISO 31000:2009, Risk Management-Principles and Guidelines* and meets the requirements of Section 16 of the PGPA Act.

We use Comcover's Risk Management Maturity Model to identify our priorities when planning our risk strategy and improving our risk maturity.

The improved risk management framework will allow the department to make well informed risk-based decisions on all aspects of business, including budget and resourcing allocations. A key focus will be integrating risk management with our planning processes by identifying the key risks associated with our strategic objectives.

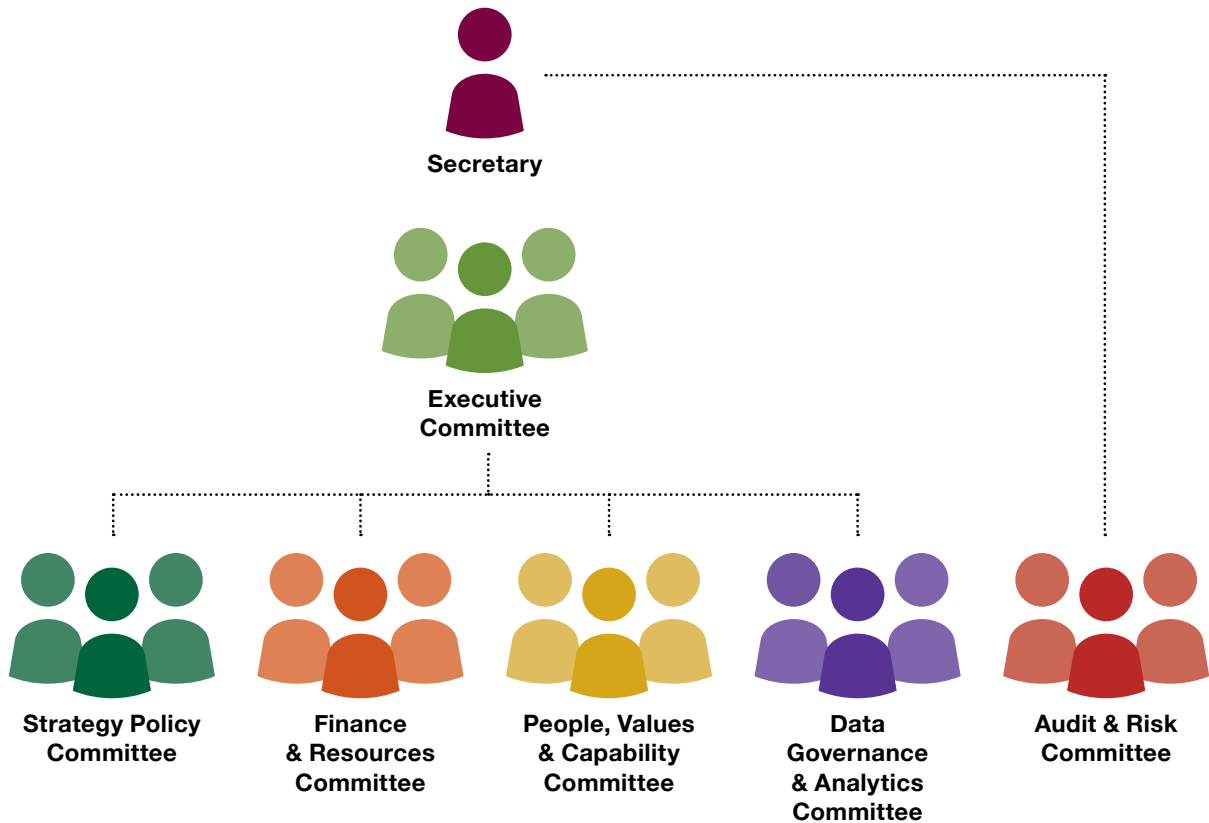
This will ensure we deliver and meet our vision and purpose, outlined in the department's *Strategic Intent 2016–20*, as well as our Government outcomes and objectives as stated in the 2016–17 Health Portfolio Budget Statements.

“Effective risk management is not about the removal of all risk — instead it is about knowing what the risks are, their impacts and how any consequences can be managed. Effective oversight of risk is critical to create the right environment for innovation, sound policy development and effective regulation in Health.”

**Adjunct
Professor
John Skerritt
Deputy Secretary
Health Products
Regulation**

Governance

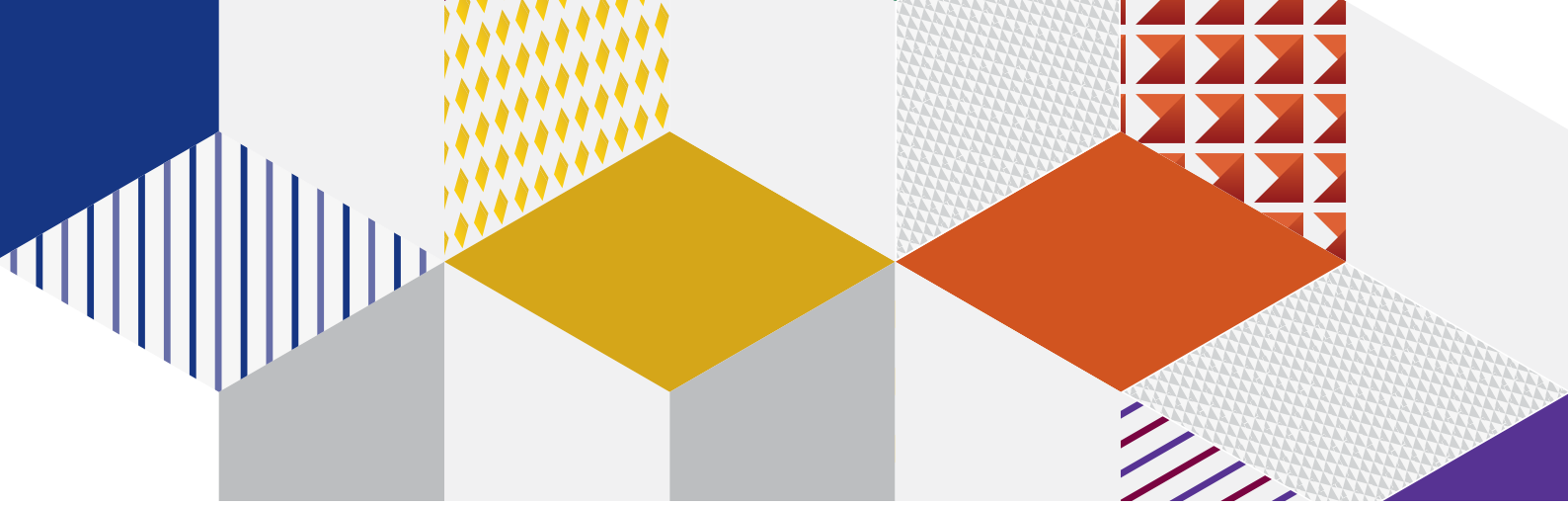
Our governance structure enables consideration of risk in all core business decisions and this is reflected in our actions and outcomes.



Our Audit & Risk Committee provides independent advice and assurance to the Secretary and the Executive on the department's risk, control, performance and compliance framework; and on external accountability responsibilities. The committee comprises five members, three of whom are independent external members, including the chair.

We also participate in broader health system governance through our role in the CHC, AHMAC and AHMAC principal committees.

The CHC and its advisory body AHMAC provide a mechanism for the Commonwealth and state and territory governments to discuss matters of mutual interest concerning health and aged care policy, services and programs.




9. Supporting material

A range of supporting material underpins this Corporate Plan. This includes:


- ▶ The department's *Strategic Intent 2016–20* (Appendix A)
- ▶ The department's *Behaviours in Action* (Appendix B)
- ▶ The *2015–16 Department of Health Annual Report*
- ▶ The *2016–17 Health Portfolio Budget Statements* which includes the detailed list of programs and the indicators that exist to support each of our programs over the forward estimates
- ▶ The department's *People Strategy 2016–2020*
- ▶ The department's *Reconciliation Action Plan*
- ▶ The department's *Workplace Diversity Program 2013–2016*



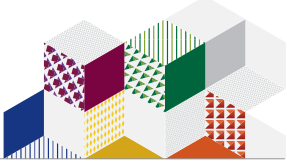
Appendix A



Department of Health
STRATEGIC INTENT 2016-20



Australian Government
Department of Health



Strategic Intent ▶

How planning documents shape our work

Enterprise Risk ▶

Other long term plans ▶


- ▶ Corporate Plan
- ▶ People Strategy
- ▶ ICT Strategy
- ▶ Digital Strategy

Business planning ▶

- ▶ Group, division, branch, section plans
- ▶ Risk assessments

Individual agreements


- ▶ Performance Development Scheme (PDS)

 **Our vision**

Better health and wellbeing for all Australians, now and for future generations.

 **Our purpose**

Lead and shape Australia's health and aged care system and sporting outcomes through evidence based policy, well targeted programs, and best practice regulation.

 **Our strategic priorities**

Better health and ageing outcomes and reduced inequality through:

- ▶ An integrated approach that balances prevention, primary, secondary and tertiary care;
- ▶ Promoting greater engagement of individuals in their health and healthcare; and
- ▶ Enabling access for the most disadvantaged including Aboriginal and Torres Strait Islander people, people in rural and remote areas and people experiencing socio-economic disadvantage

Affordable, accessible, efficient, and high quality health and aged care system through:


- ▶ Partnering and collaborating with others to deliver health and aged care programs;
- ▶ Better, more cost-effective care through innovation and technology; and
- ▶ Regulation that protects the health and safety of the community, while minimising unnecessary compliance burdens.

Better sport outcomes through:

- ▶ Boosting participation opportunities for all Australians;
- ▶ Optimising international performance; and
- ▶ Safeguarding integrity in sport

 **Our capabilities**

- ▶ We build leadership at all levels
- ▶ We think strategically and make evidence based choices
- ▶ We strengthen our key relationships
- ▶ We embed innovation in our work
- ▶ We manage cost and invest in long term sustainability

 **We will deliver these outcomes**

Health System Policy, Design and Innovation
Australia's health system is better equipped to meet current and future health needs by applying research, evaluation, innovation, and use of data to develop and implement integrated, evidence-based health policies, and through support for sustainable funding for health infrastructure.

Health Access and Support Services
Support for sustainable funding for public hospital services and improved access to high quality, comprehensive and coordinated preventive, primary and mental health care for all Australians, with a focus on those with complex health care needs and those living in regional, rural and remote areas, including through access to a skilled health workforce.

Sport and Recreation
Improved opportunities for community participation in sport and recreation, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues.

Individual Health Benefits
Access to cost-effective medicines, medical, dental and hearing services, and improved choice in health services, including through the Pharmaceutical Benefits Scheme, Medicare, targeted assistance strategies and private health insurance.

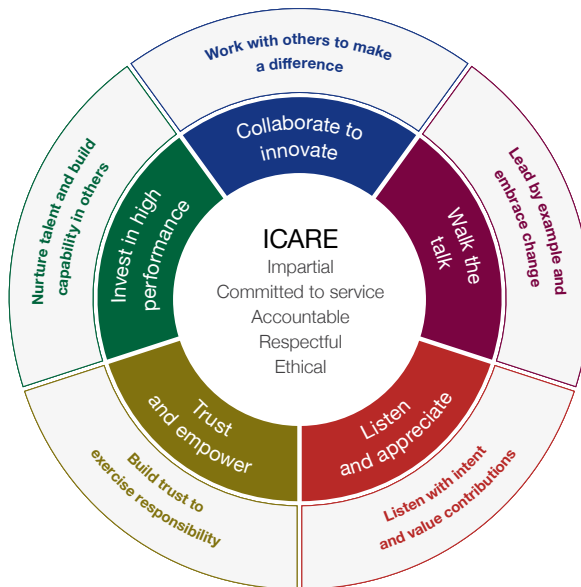
Regulation, Safety and Protection
Protection of the health and safety of the Australian community and preparedness to respond to national health emergencies and risks, including through immunisation, initiatives, and regulation of therapeutic goods, chemicals, gene technology, and blood and organ products.

Ageing and Aged Care
Improved wellbeing for older Australians through targeted support, access to quality care and related information services.

 **Our values and behaviours**

Values	Our behaviours in action
I – Impartial	Collaborate to innovate – work with others to make a difference
C – Committed to Service	Invest in high performance – nurture talent and build capability in others
A – Accountable	Trust and empower – build trust to exercise responsibility
R – Respectful	Listen and appreciate – listen with intent and value contributions
E – Ethical	Walk the talk – lead by example and embrace change

Appendix B



Our behaviours in action

I commit to making a difference and you will see this when I...

Trust and empower

- ▶ Support an environment that allows people to do their best work.
- ▶ Give myself and others permission to take reasonable risks.
- ▶ Contribute to activities outside my immediate work area to strengthen the organisation.
- ▶ Support others to take initiative and display leadership.
- ▶ Coach and mentor people to reach their full potential.

Collaborate to innovate

- ▶ Share information and work with others to develop new ideas.
- ▶ Acknowledge that there is always more than one perspective worth considering.
- ▶ Work across teams and participate in open and challenging discussions.
- ▶ Build positive, professional relationships to enable our success.
- ▶ Promote and support networking across work areas and levels.

Listen and appreciate

- ▶ Communicate with honesty, courtesy and respect.
- ▶ Ask for, consider and value the contributions of others.
- ▶ Actively listen, reflect and appreciate others.
- ▶ Recognise and celebrate efforts and achievements.
- ▶ Promote a safe and inclusive workplace that respects everyone's needs.

Walk the talk

- ▶ Show respect and don't accept bad behaviour.
- ▶ Communicate openly, transparently and explain decisions.
- ▶ Follow through on what I say I'm going to do.
- ▶ Take responsibility for making positive changes.
- ▶ Remain supportive and visible, even in times of adversity.

Invest in high performance

- ▶ Link my role to building a better health system.
- ▶ Take personal responsibility for my own performance and encourage others to do the same.
- ▶ Discuss lessons learnt and promote continuous improvement.
- ▶ Connect my work across the organisation to achieve better outcomes.
- ▶ Provide clarity about context, expectations, roles and responsibilities.



www.health.gov.au/corporateplan

All information in this publication is correct as at August 2016