



Australian Government

Department of Finance

The Treasury

## PUBLIC RELEASE OF 2019 ELECTION COMMITMENT COSTING

<b>Name of proposal costed: Additional Health Services for North and North-western Tasmania</b>	
<b>Costing Identifier:</b>	COA025
<b>Summary of costing:</b>	The proposal would provide a further \$25.6 million investment in improving healthcare in north and north-western Tasmania.
<b>Ongoing or Terminating (including date)<sup>(a)</sup></b>	Terminating (30 June 2024)
<b>Person making the request:</b>	Prime Minister
<b>Date costing request received:</b>	9 May 2019
<b>Date of public release of policy:</b>	18 April 2019
<b>Date costing completed:</b>	14 May 2019
<b>Additional information requested (including date):</b>	Not applicable
<b>Additional information received (including date):</b>	Not applicable

(a) Ongoing policies continue indefinitely (until a decision is made to cease or alter the program). Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

### Financial implications (outturn prices)<sup>(b)</sup>

Impact on	2019-20	2020-21	2021-22	2022-23	2023-24
Underlying Cash Balance (\$m)	-0.1	-1.5	-4.0	-10.0	-10.0
Fiscal Balance (\$m)	-0.1	-1.5	-4.0	-10.0	-10.0

(b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.

**Where relevant, state that the proposal has been costed as a defined or specified amount.**

The proposal has been costed as a defined amount.

**Where appropriate, include a range for the costing or sensitivity analysis.**

Not applicable.

**Qualifications to the costing (including reasons for the costing not being comprehensive).**

Not applicable.

**Where relevant, explain effects of departmental expenses.**

Consistent with the costing request, the costing assumes that the Department of Health will absorb any associated departmental operating or capital expenses.

**Where relevant, explain the reason for any significant differences between the assumptions specified in a party costing request and those used in a Treasury or Finance costing.**

Not applicable.

**Other comments (including reasons for significant differences between the estimated impact on the fiscal and underlying cash balances).**

**Where relevant, include an explanation of the medium term implications of the proposal<sup>(c)</sup>.**

Not applicable.

<sup>(c)</sup> Information on the medium term implications will be provided if the cost of the policy is expected to be significantly different beyond the forward estimates period.

## **Background information**

### **Costing methodology used:**

- **Costing techniques**

The proposal has been costed as a defined amount of \$25.6 million over five years from 2019-20 that includes:

- \$10.0 million to redevelop and extend the existing Kings Meadows Community Health Centre with \$5.0 million per annum in 2022-23 and 2023-24;
- \$10.0 million for improvements to the Acute Care facility at North West Regional Hospital with \$5.0 million per annum in 2022-23 and 2023-24;
- \$1.0 million for Queenstown Allied Health and Aged facility in 2021-22;
- \$4.5 million for a perinatal infant mental health service at Launceston General Hospital and North West Regional Hospital, with \$1.5 million in 2020-21 and \$3.0 million in 2021-22; and
- \$0.1 million for two mobile unit health buses supported by Rotary Tasmania and the Royal Flying Doctor Service in 2019-20.

- **Policy parameters**

The policy is to start from 1 July 2019 and is in addition to the \$91.9 million Tasmanian Health Plan.

- **Statistical data used**

Not applicable.

### **Behavioural assumptions used (as appropriate)**

Not applicable.