

Vote Health

APPROPRIATION MINISTER(S): Minister of Health (M36), Minister for Seniors (M61)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Health (A21)

RESPONSIBLE MINISTER FOR MINISTRY OF HEALTH: Minister of Health

Overview of the Vote

Vote Health ('the Vote'), \$26,510 million in 2023/24, is a significant public investment in the wellbeing of New Zealanders and their families. The Vote directly supports the day-to-day operation of strong and equitable public health services delivered by a skilled workforce in our communities, hospitals, and other care settings.

The Vote plays a key role in supporting population health across peoples' lives, including improving health equity for Māori and other groups, and helps facilitate the delivery of key system priorities including child wellbeing, mental wellbeing, wellbeing through prevention, and primary health care.

The make-up of the Vote for 2023/24 reflects the significant changes that occurred as a result of the Government's health reforms from 1 July 2022 with those changes detailed in the Estimates of Appropriations 2022/23 - Health Sector.

The Vote also reflects the ongoing response to the COVID-19 pandemic with additional funding of \$9.7 billion over the four years from 2020/21 to 2023/24. This has enabled the Government's COVID-19 public health response, including the provision of a portfolio of vaccines and therapeutics to help mitigate the health impacts from COVID-19.

The Vote for 2023/24 comprises the following:

- \$12,720 million (48% of the Vote) to enable Te Whatu Ora - Health New Zealand to deliver hospital and specialist services
- \$8,158 million (31% of the Vote) to enable Te Whatu Ora - Health New Zealand to deliver primary, community, public and population health services
- \$3,071 million (12% of the Vote) for capital investment, largely for infrastructure projects and to fund the resolution of claims from historical non-compliance with the Holidays Act 2003
- \$1,339 million (5% of the Vote) to enable Te Pātaka Whaioranga - Pharmac to both manage (\$28 million) and purchase pharmaceuticals (\$1,311 million)
- \$616 million (2% of the Vote) to enable Te Aka Whai Ora - Māori Health Authority to deliver hauora Māori services
- \$295 million (1% of the Vote) to support the COVID-19 vaccine strategy
- \$238 million (1% of the Vote) to enable Manatū Hauora - Ministry of Health to undertake its stewardship role of the health system
- \$69 million to support other health services including \$40 million for monitoring and protecting health and disability consumer interests and \$26 million for problem gambling services.

There is also a capital expenditure permanent legislative authority of \$1.6 million for Manatū Hauora - Ministry of Health.

The Minister of Health (M36) is responsible for all appropriations in the Vote except for the non-departmental output expense appropriation 'Aged Care Commissioner' (\$2 million) which is the responsibility of the Minister for Seniors (M61).

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

| Titles and Scopes of Appropriations by Appropriation Type | 2022/23 | | 2023/24 |
|---|----------------------|------------------------|-------------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Departmental Capital Expenditure | | | |
| Ministry of Health - Capital Expenditure PLA (M36) (A21) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Health, as authorised by section 24(1) of the Public Finance Act 1989. | 5,412 | 5,412 | 1,600 |
| Total Departmental Capital Expenditure | 5,412 | 5,412 | 1,600 |
| Non-Departmental Output Expenses | | | |
| Aged Care Commissioner (M61) (A21) This appropriation is limited to the functions of the Aged Care Commissioner | 2,023 | 2,023 | 2,023 |
| Delivering hauora Māori services (M36) (A21) This appropriation is limited to developing, implementing and delivering hauora Māori services, supporting the development of hauora Māori providers, developing partnerships with iwi, commissioning kaupapa Māori services and other services developed for Māori, and other related services. | 217,572 | 217,572 | 615,540 |
| Delivering Hospital and Specialist Services (M36) (A21) This appropriation is limited to hospital and specialist health services (including mental health services). | 13,113,854 | 13,113,854 | 12,720,434 |
| Delivering Primary, Community, Public and Population Health Services (M36) (A21) This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels. | 8,248,039 | 8,248,039 | 8,158,369 |
| Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21) This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests. | 39,296 | 39,296 | 39,551 |
| National Management of Pharmaceuticals (M36) (A21) This appropriation is limited to services relating to the national management of pharmaceuticals. | 29,347 | 29,347 | 28,372 |
| National Pharmaceuticals Purchasing (M36) (A21) This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule. | 1,186,000 | 1,186,000 | 1,311,000 |
| Problem Gambling Services (M36) (A21) This appropriation is limited to the provision, purchase, and support of services that minimise the harm from gambling, in accordance with the Gambling Act 2003. | 23,711 | 22,976 | 26,027 |
| Strengthening International Health Systems (M36) (A21) This appropriation is limited to supporting the development of public health systems internationally. | 7,470 | 7,470 | - |
| Total Non-Departmental Output Expenses | 22,867,312 | 22,866,577 | 22,901,316 |
| Non-Departmental Other Expenses | | | |
| International Health Organisations (M36) (A21) This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects. | 2,230 | 2,230 | 2,230 |

| | 2022/23 | | 2023/24 |
|--|----------------------|------------------------|------------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Titles and Scopes of Appropriations by Appropriation Type | | | |
| Legal Expenses (M36) (A21) This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown. | 1,802 | 1,802 | 1,208 |
| Total Non-Departmental Other Expenses | 4,032 | 4,032 | 3,438 |
| Non-Departmental Capital Expenditure | | | |
| Capital investment in Health New Zealand (M36) (A21) This appropriation is limited to capital investment to establish Health New Zealand. | 35,241 | 35,241 | 10,800 |
| Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21) This appropriation is limited to fund Te Whatu Ora (including their subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003. | - | - | 1,642,330 |
| Residential Care Loans - Payments (M36) (A21) This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities. | 20,000 | 20,000 | 20,000 |
| Standby Credit to Support Health System Liquidity (M36) (A21) This appropriation is limited to the provision of a revolving standby credit facility to support Te Whatu Ora-Health New Zealand with working capital fluctuations, assist with treasury liquidity management, and maintain health system liquidity. | 200,000 | 200,000 | 200,000 |
| Total Non-Departmental Capital Expenditure | 255,241 | 255,241 | 1,873,130 |
| Multi-Category Expenses and Capital Expenditure | | | |
| Implementing the COVID-19 Vaccine Strategy MCA (M36) (A21) The single overarching purpose of this appropriation is to implement the COVID-19 vaccine strategy so as to minimise the health impacts of COVID-19. | 1,188,711 | 1,188,711 | 295,118 |
| Non-Departmental Output Expenses | | | |
| <i>Implementing the COVID-19 Immunisation Programme</i> This category is limited to delivering approved vaccines through an immunisation programme as part of minimising the health impacts of COVID-19. | 301,794 | 301,794 | 129,918 |
| <i>Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics</i> This category is limited to obtaining potential and proven vaccines and therapeutics as part of minimising the health impacts of COVID-19. | 886,917 | 886,917 | 165,200 |
| Stewardship of the New Zealand health system MCA (M36) (A21) The single overarching purpose of this appropriation is to enable the Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health. | 252,776 | 252,302 | 237,759 |
| Departmental Output Expenses | | | |
| <i>Equity, Evidence and Outcomes</i> This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights. | 16,314 | 16,314 | 15,563 |
| <i>Policy Advice and Related Services</i> This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities relating to health. | 37,218 | 37,218 | 31,630 |
| <i>Public health and population health leadership</i> This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health. | 100,130 | 99,856 | 107,224 |

| Titles and Scopes of Appropriations by Appropriation Type | 2022/23 | | 2023/24 |
|---|----------------------|------------------------|--------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Regulatory and Enforcement Services This category is limited to implementing, enforcing and administering health-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees appointed by the Minister under statute. | 61,885 | 61,885 | 55,088 |
| Sector Performance and Monitoring This category is limited to advising and providing assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities. | 37,229 | 37,029 | 28,254 |
| National Response to COVID-19 Across the Health Sector MCA (M36) (A21) The single overarching purpose of this appropriation is to implement a national response to COVID-19 across the health sector. | 1,612,179 | 1,609,009 | - |
| Departmental Output Expenses | | | |
| National Health Response to COVID-19 This category is limited to managing and coordinating the overall national health response to COVID-19. | 52,637 | 49,467 | - |
| Non-Departmental Output Expenses | | | |
| COVID-19 Public Health Response This category is limited to the on-going public health system response to COVID-19. | 1,559,542 | 1,559,542 | - |
| Total Multi-Category Expenses and Capital Expenditure | 3,053,666 | 3,050,022 | 532,877 |
| Total Annual Appropriations and Forecast Permanent Appropriations | 26,185,663 | 26,181,284 | 25,312,361 |

Multi-Year Appropriations

| Type, Title, Scope and Period of Appropriations | Appropriations, Adjustments and Use | \$000 |
|--|--|--|
| Non-Departmental Capital Expenditure | | |
| Health Capital Envelope (M36) (A21) This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments. Commences: 01 July 2022 Expires: 30 June 2027 | Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining | 4,864,162 - 589,071 5,453,233 - 967,701 989,543 3,495,989 |
| New Dunedin Hospital 2021-2026 (M36) (A21) This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects. Commences: 01 November 2021 Expires: 30 June 2026 | Original Appropriation Adjustments to 2021/22 Adjustments for 2022/23 Adjusted Appropriation Actual to 2021/22 Year End Estimated Actual for 2022/23 Estimate for 2023/24 Estimated Appropriation Remaining | 1,327,578 - 120,000 1,447,578 32,421 86,311 208,000 1,120,846 |

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

| | 2022/23 | | 2023/24 |
|--|----------------------|------------------------|-------------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Annual Appropriations and Forecast Permanent Appropriations | 26,185,663 | 26,181,284 | 25,312,361 |
| Total Forecast MYA Non-Departmental Capital Expenditure | 1,054,012 | 1,054,012 | 1,197,543 |
| Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations | 27,239,675 | 27,235,296 | 26,509,904 |

Capital Injection Authorisations

| | 2022/23 | | 2023/24 |
|--|----------------------|------------------------|--------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Ministry of Health - Capital Injection (M36) (A21) | 943 | 943 | - |

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|---|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Budget 2023 Funding for New Initiatives, including North Island Weather Events Response and Recovery | | | | | | |
| Removing Prescription Co-payments for all New Zealanders | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | - | 170,197 | 174,452 | 178,813 | 183,284 |
| Psychosocial Recovery: Mental Health and Wellbeing Response | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | - | 10,000 | - | - | - |
| Health Response: Hospital and Specialist Services | Delivering Hospital and Specialist Services Non-Departmental Output Expenses | 4,097 | 4,753 | - | - | - |
| Health Response: Hauora Māori Disaster Response Package | Delivering hauora Māori services Non-Departmental Output Expenses | 2,624 | 5,656 | - | - | - |
| Health Response: Primary, Community, and Residential Care Recovery | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 3,294 | 2,817 | - | - | - |
| Health Response: Transport and Power | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 579 | 1,157 | - | - | - |
| Subtotal Budget 2023 Funding for New Initiatives, including North Island Weather Events Response and Recovery | | 10,594 | 194,580 | 174,452 | 178,813 | 183,284 |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|--|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Drawdown of Tagged Contingency Funding | | | | | | |
| Addressing Historical and Future Health System Cost Pressures - Drawdown of 2022/23 Tagged Contingency | Delivering Hospital and Specialist Services Non-Departmental Output Expenses | 520,793 | 520,793 | 520,793 | 520,793 | 520,793 |
| Supporting the Establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 11,747 | 18,017 | 12,376 | 5,902 | 5,902 |
| | Stewardship of the New Zealand health system MCA - Public health and population health leadership Departmental Output Expenses | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| BreastScreen Aotearoa Critical Infrastructure Replacement - Drawdown of Tagged Contingency | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 6,735 | 24,571 | 18,941 | 9,750 | 9,750 |
| Human Papillomavirus Primary Screening for the National Cervical Screening Programme - Drawdown of Tagged Contingency | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 16,503 | 19,889 | 5,660 | 3,621 | 2,998 |
| Health Sector Agreements and Payments Programme - Drawdown of Tranche Two Funding | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 17,305 | 15,548 | 4,157 | 4,157 | 4,157 |
| Drawdown from Contingency Funding for Capital Charge on New Capital Projects for Te Whatu Ora | Delivering Hospital and Specialist Services Non-Departmental Output Expenses | 4,937 | 9,874 | 9,874 | 9,874 | 9,874 |
| Southern Digital Transformation Programme - Drawdown of Stage One Funding | Delivering Hospital and Specialist Services Non-Departmental Output Expenses | 2,314 | 4,229 | 1,760 | 14,828 | 14,828 |
| Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged Contingency | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 250 | 1,639 | 2,232 | 2,485 | 2,485 |
| | Stewardship of the New Zealand health system MCA - Public health and population health leadership Departmental Output Expenses | 1,533 | 9,211 | 5,518 | 4,765 | 4,765 |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|---|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| HIV Action Plan - Implementation Plan and Drawdown of Tagged Contingency | Delivering hauora Māori services | 50 | 500 | 450 | 450 | 450 |
| | Non-Departmental Output Expenses | | | | | |
| | Delivering Primary, Community, Public and Population Health Services | 2,000 | 5,100 | 5,250 | 4,200 | 4,200 |
| | Non-Departmental Output Expenses | | | | | |
| Investment to Increase Access to Medicines | National Pharmaceuticals Purchasing | - | 66,000 | - | - | - |
| | Non-Departmental Output Expenses | | | | | |
| | National Response to COVID-19 Across the Health Sector MCA - COVID-19 Public Health Response | (41,563) | - | - | - | - |
| | Non-Departmental Output Expenses | | | | | |
| End of Life Choice Act - Additional Drawdown of Tagged Contingency Related to Assisted Dying Services | Stewardship of the New Zealand health system MCA - Regulatory and Enforcement Services | - | - | 2,555 | 2,555 | 2,555 |
| | Departmental Output Expenses | | | | | |
| Supporting the Infrastructure and Investment Group Work Programme - Drawdown of Tagged Contingency | Delivering Hospital and Specialist Services | 2,820 | 3,710 | - | - | - |
| | Non-Departmental Output Expenses | | | | | |
| Subtotal Drawdown of Tagged Contingency Funding | | 551,424 | 705,081 | 595,566 | 589,380 | 588,757 |
| Pay Equity Settlements and Improving Pay Relativities | | | | | | |
| Pay Equity Settlements and Improving Pay Relativities | Delivering Hospital and Specialist Services | 482,229 | 406,959 | 406,959 | 406,959 | 406,959 |
| | Non-Departmental Output Expenses | | | | | |
| | Delivering Primary, Community, Public and Population Health Services | 91,469 | 177,357 | 177,442 | 177,527 | 177,580 |
| | Non-Departmental Output Expenses | | | | | |
| Subtotal Pay Equity Settlements and Improving Pay Relativities | | 573,698 | 584,316 | 584,401 | 584,486 | 584,539 |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|--|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| COVID-19 Response and Function Transfers | | | | | | |
| Funding for COVID-19 | Implementing the COVID-19 Vaccine Strategy MCA - Implementing the COVID-19 Immunisation Programme Non-Departmental Output Expenses | 109,978 | - | - | - | - |
| | National Response to COVID-19 Across the Health Sector MCA - COVID-19 Public Health Response Non-Departmental Output Expenses | 268,510 | - | - | - | - |
| Funding for COVID-19 Therapeutics | Implementing the COVID-19 Vaccine Strategy MCA - Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics Non-Departmental Output Expenses | 185,250 | - | - | - | - |
| Purchase of Additional Antivirals, and COVID-19 Response Funding for 2023/24 | Implementing the COVID-19 Vaccine Strategy MCA - Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics Non-Departmental Output Expenses | 38,000 | 165,200 | - | - | - |
| | Implementing the COVID-19 Vaccine Strategy MCA - Implementing the COVID-19 Immunisation Programme Non-Departmental Output Expenses | (149,210) | 129,918 | - | - | - |
| COVID-19 Function Transfers from Department of the Prime Minister and Cabinet | National Response to COVID-19 Across the Health Sector MCA - COVID-19 Public Health Response Non-Departmental Output Expenses | 6,156 | - | - | - | - |
| | National Response to COVID-19 Across the Health Sector MCA - National Health Response to COVID-19 Departmental Output Expenses | 2,202 | - | - | - | - |
| COVID-19 Immunisation Communications | Implementing the COVID-19 Vaccine Strategy MCA - Implementing the COVID-19 Immunisation Programme Non-Departmental Output Expenses | 8,000 | - | - | - | - |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|--|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| New Zealand's Future Quarantine and Isolation Capability | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | - | 3,323 | 3,323 | - | - |
| | Stewardship of the New Zealand health system MCA - Public health and population health leadership Departmental Output Expenses | - | 356 | 356 | - | - |
| COVID-19 Vaccine Portfolio Update - Novation and Pharmac Resourcing | National Management of Pharmaceuticals Non-Departmental Output Expenses | 475 | - | - | - | - |
| Subtotal COVID-19 Response and Function Transfers | | 469,361 | 298,797 | 3,679 | - | - |
| Health Reform Transfers | | | | | | |
| Transfer of Funding for Specific Hauora Māori Services | Delivering hauora Māori services Non-Departmental Output Expenses | - | 387,655 | 387,655 | 387,655 | 387,655 |
| | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | - | (387,655) | (387,655) | (387,655) | (387,655) |
| Ministry ICT and Data & Digital Contracts and Funding Transfer | Delivering Hospital and Specialist Services Non-Departmental Output Expenses | 10,763 | 14,963 | 14,963 | 14,963 | 14,963 |
| | Delivering Primary, Community, Public and Population Health Services Non-Departmental Output Expenses | 5,796 | 8,057 | 8,057 | 8,057 | 8,057 |
| | Stewardship of the New Zealand health system MCA - Regulatory and Enforcement Services Departmental Output Expenses | (5,283) | (7,343) | (7,343) | (7,343) | (7,343) |
| | Stewardship of the New Zealand health system MCA - Policy Advice and Related Services Departmental Output Expenses | (4,305) | (5,985) | (5,985) | (5,985) | (5,985) |
| | Stewardship of the New Zealand health system MCA - Public health and population health leadership Departmental Output Expenses | (4,090) | (5,686) | (5,686) | (5,686) | (5,686) |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|---|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Stewardship of the New Zealand health system MCA - Equity, Evidence and Outcomes | (1,490) | (2,072) | (2,072) | (2,072) | (2,072) |
| | Departmental Output Expenses | | | | | |
| | Stewardship of the New Zealand health system MCA - Sector Performance and Monitoring | (1,391) | (1,934) | (1,934) | (1,934) | (1,934) |
| | Departmental Output Expenses | | | | | |
| Ministerial Advisory Committee for Health Reform Implementation - Funding Transfer for 2023/24 from Department of the Prime Minister and Cabinet | Stewardship of the New Zealand health system MCA - Regulatory and Enforcement Services | - | 900 | - | - | - |
| | Departmental Output Expenses | | | | | |
| Subtotal Health Reform Transfers | | - | 900 | - | - | - |
| Total Operating Expenditure | | 1,605,077 | 1,783,674 | 1,358,098 | 1,352,679 | 1,356,580 |
| Capital Expenditure | | | | | | |
| Return of Equity Support for DHB Deficits Funding to the Crown | Equity Support for DHB deficits | (39,211) | (39,211) | (39,211) | (39,211) | (39,211) |
| | Non-Departmental Capital Expenditure | | | | | |
| Establishing Funding Baselines for Holidays Act Remediation | Remediation and resolution of Holidays Act 2003 historical claims | - | 1,642,330 | 593,200 | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| Te Whatu Ora Standby Credit Facility | Standby Credit to Support Health System Liquidity | 200,000 | 200,000 | 200,000 | 200,000 | - |
| | Non-Departmental Capital Expenditure | | | | | |
| Equity Injection for the New Zealand Blood and Organ Service | Health Capital Envelope | 52,000 | 15,000 | - | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| Southern Digital Transformation Programme - Drawdown of Stage One Funding | Health Capital Envelope | 20,408 | 24,006 | 15,525 | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| State Sector Decarbonisation - Drawdown of Funding from Tagged Capital Contingency | Health Capital Envelope | 22,614 | 39,543 | - | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| Additional funding for New Dunedin Hospital | New Dunedin Hospital 2021-2026 | - | 8,000 | - | 2,000 | - |
| | Non-Departmental Capital Expenditure | | | | | |

| Policy Initiative | Appropriation | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|---------------------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| New Dunedin Hospital Cost Estimation and Value Management | Health Capital Envelope | (110,000) | - | - | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| | New Dunedin Hospital 2021-2026 | 110,000 | - | - | - | - |
| | Non-Departmental Capital Expenditure | | | | | |
| Total Capital Expenditure | | 255,811 | 1,889,668 | 769,514 | 162,789 | (39,211) |
| Total | | 1,860,888 | 3,673,342 | 2,127,612 | 1,515,468 | 1,317,369 |

1.2 - Trends in the Vote

Summary of Financial Activity

| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | | 2023/24 | | | 2024/25 | 2025/26 | 2026/27 |
|--|-----------------|-----------------|-----------------|-----------------|----------------------------|------------------------------|---|---|--------------------------|--------------------|--------------------|--------------------|
| | Actual \$000 | Actual \$000 | Actual \$000 | Actual \$000 | Final Budgeted \$000 | Estimated Actual \$000 | Departmental Transactions Budget \$000 | Non- Departmental Transactions Budget \$000 | Total Budget \$000 | Estimated \$000 | Estimated \$000 | Estimated \$000 |
| Appropriations | | | | | | | | | | | | |
| Output Expenses | 15,669,029 | 17,024,557 | 18,411,558 | 19,469,601 | 22,867,312 | 22,866,577 | - | 22,901,316 | 22,901,316 | 22,545,487 | 22,502,731 | 22,480,732 |
| Benefits or Related Expenses | - | - | - | - | - | - | N/A | - | - | - | - | - |
| Borrowing Expenses | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Expenses | 4,901 | 3,115 | 4,196 | 4,791 | 4,032 | 4,032 | - | 3,438 | 3,438 | 3,438 | 3,438 | 3,438 |
| Capital Expenditure | 511,849 | 728,030 | 1,234,708 | 760,837 | 1,314,665 | 1,314,665 | 1,600 | 3,070,673 | 3,072,273 | 2,364,800 | 2,392,446 | 917,589 |
| Intelligence and Security Department Expenses and Capital Expenditure | - | - | - | - | - | - | - | N/A | - | - | - | - |
| Multi-Category Expenses and Capital Expenditure (MCA) | | | | | | | | | | | | |
| <i>Output Expenses</i> | 145,135 | 155,434 | 658,851 | 4,362,958 | 3,053,666 | 3,050,022 | 237,759 | 295,118 | 532,877 | 220,464 | 217,325 | 217,325 |
| <i>Other Expenses</i> | - | - | - | - | - | - | - | - | - | - | - | - |
| <i>Capital Expenditure</i> | - | - | - | - | - | - | N/A | - | - | - | - | - |
| Total Appropriations | 16,330,914 | 17,911,136 | 20,309,313 | 24,598,187 | 27,239,675 | 27,235,296 | 239,359 | 26,270,545 | 26,509,904 | 25,134,189 | 25,115,940 | 23,619,084 |
| Crown Revenue and Capital Receipts | | | | | | | | | | | | |
| Tax Revenue | - | - | - | - | - | - | N/A | - | - | - | - | - |
| Non-Tax Revenue | 863,778 | 875,390 | 865,530 | 998,335 | 1,278,546 | 1,278,546 | N/A | 1,344,276 | 1,344,276 | 1,390,078 | 1,433,350 | 1,477,837 |
| Capital Receipts | 24,981 | 26,138 | 29,731 | 26,597 | 32,499 | 32,499 | N/A | 32,499 | 32,499 | 32,499 | 32,499 | 32,499 |
| Total Crown Revenue and Capital Receipts | 888,759 | 901,528 | 895,261 | 1,024,932 | 1,311,045 | 1,311,045 | N/A | 1,376,775 | 1,376,775 | 1,422,577 | 1,465,849 | 1,510,336 |

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity Table.

1.3 - Analysis of Significant Trends

Output Expenses

Expenditure has seen significant growth since 2018/19 (refer Part 1.2 - Trends in the Vote). The main drivers for this change have been:

- annual increases to address sector wide demographic and cost pressures, including funding in Budget 2022 to address historic funding shortfalls for services previously funded through or provided by district health boards (DHBs)
- increases aimed at improving or extending the reach of health services such as:
 - primary and community mental health and addiction services particularly through significant investment in Budget 2019
 - public health services including the national rollout of the bowel screening programme, BreastScreen Aotearoa critical infrastructure replacement and the implementation of human papillomavirus (HPV) primary screening under the National Cervical Screening Programme
 - disability support services which received significant funding increases before being transferred to the new Whaikaha - Ministry of Disabled People as part of the health and disability system reforms, which reduced funding in Vote Health in 2022/23 and out-years by approximately \$1,795 million
 - primary care services, ensuring the cost of visiting a GP remains affordable and supporting low-cost visits for community card holders
 - pharmaceutical purchasing to give Te Pātaka Whaioranga - Pharmac additional scope to invest in more new medicines
 - investment across a wide range of health services to address inequity
- responding to the COVID-19 pandemic, which has contributed to a significant increase in the Vote Health funding from 2019/20 although is now reducing reflecting the reduced risks at this stage of the outbreak
- responding to the North Island Weather Events, including funding for psychosocial recovery, hospital and specialist services, hauora Māori disaster response, primary, community and residential care recovery, and transport and power supply
- enabling the health and disability system reform, including digital investment, and additional investment in primary and community care including funding for hauora Māori commissioning, Māori and Pacific provider development, as well as health workforce development in Budget 2022
- wage settlements, including funding to addressing pay equity and improving pay relativities, and
- funding for the support, oversight and governance of the health sector.

Other Expenses

Vote Health also provides funding for Other Expenses, such as funding for international health organisations and legal expenses. This funding has been relatively stable through time.

Capital Expenditure

Appropriations for 2023/24 are \$3,072 million compared to actual expenditure of \$512 million in 2018/19. This increasing trend is mainly a result of increasing demand for remediating and upgrading hospital infrastructure, and from 2023/24 to fund the resolution of claims from historical non-compliance with the Holidays Act 2003. This has included investment in many, often multi-year, projects such as:

- the new Dunedin Hospital development
- digital infrastructure and capability to enable system transformation.

It also includes \$1.600 million of capital expenditure in 2023/24 for Manatū Hauora - Ministry of Health.

Multi-Category Expenses and Capital Expenditure

The main drivers for the changes in multi-category expenses increases are:

- the COVID-19 pandemic response, which has contributed to a significant increase in funding by way of MCAs since 2020/21 but is now reducing reflecting the reduced risks at this stage of the outbreak. This includes significant funding for the national vaccine strategy rollout
- the fiscally neutral transfer of funding, previously held under Departmental Output Expenses, into the Stewardship of the New Zealand health system MCA (from 2022/23).

Crown Revenue and Capital Receipts

The increased income from Crown revenue and capital receipts is attributable to:

- Crown Revenue from ACC for the purchase of public health acute and other services provided by Te Whatu Ora - Health New Zealand. The ACC revenue has increased from \$525 million in 2018/19 to forecast revenue of \$822 million in 2023/24, largely reflecting changes in the price and volume of services provided
- Capital charge revenue from Crown Entities in the health sector. This has grown from \$262 million in 2018/19 to forecast revenue of \$522 million in 2023/24, reflecting the revaluation of assets and new infrastructure projects, and
- Residential care loan repayments which are forecast at \$20 million per annum.

Part 2 - Details of Departmental Appropriations

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Health - Capital Expenditure PLA (M36) (A21)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Health, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

| | 2022/23 | | 2023/24 |
|-------------------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Forests/Agricultural | - | - | - |
| Land | - | - | - |
| Property, Plant and Equipment | 5,340 | 5,340 | 1,500 |
| Intangibles | 72 | 72 | 100 |
| Other | - | - | - |
| Total Appropriation | 5,412 | 5,412 | 1,600 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the renewal, upgrade, or redesign of assets to support the delivery of Manatū Hauora - Ministry of Health's core functions and responsibilities.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|--|----------------------------|---------------------|--------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Expenditure is in accordance with Manatū Hauora - Ministry of Health's capital asset management plan | Achieved | Achieved | Achieved |

End of Year Performance Reporting

Manatū Hauora - Ministry of Health will report performance information for this appropriation in its Annual Report.

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to the transfer of most of Manatū Hauora - Ministry of Health's intangible assets to Te Whatu Ora - Health New Zealand in the health reforms and accounting policy changes for the treatment of software as a service (SaaS).

*Capital Injections and Movements in Departmental Net Assets***Ministry of Health**

| Details of Net Asset Schedule | 2022/23 Estimated Actual \$000 | 2023/24 Projected \$000 | Explanation of Projected Movements in 2023/24 |
|---|---|-------------------------------|---|
| Opening Balance | 22,177 | 5,606 | |
| Capital Injections | 943 | - | |
| Capital Withdrawals | (17,514) | - | |
| Surplus to be Retained (Deficit Incurred) | - | - | |
| Other Movements | - | - | |
| Closing Balance | 5,606 | 5,606 | |

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Aged Care Commissioner (M61) (A21)

Scope of Appropriation

| |
|--|
| This appropriation is limited to the functions of the Aged Care Commissioner |
|--|

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 2,023 | 2,023 | 2,023 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide greater oversight of the aged care sector, including monitoring and addressing emerging quality and safety issues, and advocating on behalf of consumers and their whānau for better services.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|---|----------------------------|---------------------|--------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Undertake a number of engagements with older consumers and their whānau from all communities in order to reflect their perspectives in the Aged Care Commissioner's work including the Commissioner's monitoring report | N/A | N/A | 50 |

Additional measures relating to the Aged Care Commissioner's role and function will be available in the Health and Disability Commissioner's Statement of Performance Expectations.

End of Year Performance Reporting

Performance information will be reported in the Health and Disability Commissioner's Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 78 | 78 | 78 | 78 | 78 |
| Establishment of an Aged Care Commissioner under the Health and Disability Commissioner | 2021/22 | 2,320 | 2,320 | 2,320 | 2,320 | 2,320 |

Delivering hauora Māori services (M36) (A21)

Scope of Appropriation

This appropriation is limited to developing, implementing and delivering hauora Māori services, supporting the development of hauora Māori providers, developing partnerships with iwi, commissioning kaupapa Māori services and other services developed for Māori, and other related services.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 217,572 | 217,572 | 615,540 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to secure the development, implementation and delivery of hauora Māori services, development of hauora Māori providers, development of partnerships with iwi, commissioning of kaupapa Māori services and other services developed for Māori, and other related services.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|---|----------------------------|--|--------------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| A service commissioning and co-commissioning plan is in place by 30 June 2023 | Achieved | Achieved | Discontinued Measure |
| A plan is in place to support the operation of Iwi-Māori Partnership Boards | Achieved | Achieved | Discontinued Measure |
| Māori provider development and innovation programmes are delivered to agreed standard | Achieved | Not assessed as no agreed programme standard | Discontinued Measure |
| Ministry of Health confidence in entity delivery of Whakamaua He Korowai Oranga | Good | Good | Discontinued Measure |
| Increase number of hauora Māori service providers operating under Te Ao Māori service provision and workforce training compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Hauora Māori service providers are covering a larger geographical area compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Increase number of hauora Māori service providers providing Mātauranga Māori services as part of their overall health service compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Increase wrap-around health support for wāhine hapū antenatal and birthing care that include longer-term intervention and prevention services compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Increase in support for new models of taurite specialist Māori mental health and addiction services compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Māori data sovereignty and data governance from Te Aka Whai Ora - Māori Health Authority will be adopted by 2 or more Health partners compared to the base year of 2021/22 | N/A | N/A | Achieved |
| Iwi Māori Partnership Boards are satisfied that they are fulfilling their role in developing health interventions for Māori based on results from annual survey of Iwi Māori Partnership Boards | N/A | N/A | Very satisfied/satisfied |

The performance measures for the 2022/23 year were developed by Manatū Hauora - Ministry of Health, the Treasury and the Transition Unit ahead of accountability documents such as the interim Government Policy Statement (iGPS), Te Pae Tata Interim New Zealand Health Plan and Statement of Intent/Statement of Performance Expectations being prepared. The 2023/24 measures are aligned to Te Aka Whai Ora - Māori Health Authority's core functions and the actions Te Aka Whai Ora - Māori Health Authority are accountable to deliver in Te Pae Tata Interim New Zealand Health Plan.

End of Year Performance Reporting

End of year performance information will be reported in the Annual Report of Te Aka Whai Ora - Māori Health Authority.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Transfer of Funding for Specific Hauora Māori Services | 2023/24 | - | 387,655 | 387,655 | 387,655 | 387,655 |
| Health Response: Hauora Māori Disaster Response Package | 2022/23 | 2,624 | 5,656 | - | - | - |
| HIV Action Plan - Implementation Plan and Drawdown of Tagged Contingency | 2022/23 | 50 | 500 | 450 | 450 | 450 |
| Hauora Māori Commissioning | 2022/23 | 33,069 | 44,777 | 45,077 | 45,077 | 45,077 |
| Health Workforce Development | 2022/23 | 7,000 | 8,000 | 12,000 | 12,000 | 12,000 |
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 6,809 | 6,809 | 6,809 | 6,809 | 6,809 |
| Māori Primary and Community Care Provider Development - Securing Future Capability and Shifting into New Models of Care | 2022/23 | 6,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Iwi-Māori Partnership Boards | 2022/23 | 3,660 | 5,510 | 5,460 | 5,460 | 5,460 |

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 is mainly due to:

- \$387.655 million for a transfer of funding from the Delivering Primary, Community, Public and Population Health Services appropriation effective from 2023/24 only to better reflect the funding for Kaupapa Māori health services commissioned by Te Aka Whai Ora - Māori Health Authority as part of the health reforms
- \$11.708 million uplift in 2023/24 for the Budget 2022 initiative Hauora Māori Commissioning targeted at improving primary and community care responsive to Māori and supporting a Māori-led approach to population health and prevention
- \$9.827 million for a fiscally neutral transfer from the Delivering Hospital and Specialist Services appropriation for the hauora Māori teams moved from Te Whatu Ora - Health New Zealand districts to Te Aka Whai Ora - Māori Health Authority
- \$8.559 million for the ongoing impact of a baseline transfer from the previous appropriation structure to reflect the new structure of the Vote Health appropriations from 1 July 2022 to support the health reforms, and

- \$3.032 million of additional funding for the Budget 2023 North Island Weather Events Response and Recovery initiative Health Response: Hauora Māori Disaster Response Package to provide funding for urgent psychosocial response and recovery services that support whānau wellbeing and support the community to recover from the impacts of North Island Weather Events.

This increase was partially offset by:

- \$25.113 million carried forward from 2021/22 to 2022/23 only for the interim Māori Health Authority (iMHA) to meet their commitments in implementing the Day 1 readiness activities.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

Delivering Hospital and Specialist Services (M36) (A21)

Scope of Appropriation

This appropriation is limited to hospital and specialist health services (including mental health services).

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|----------------------|------------------------|--------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 13,113,854 | 13,113,854 | 12,720,434 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to secure Hospital and Specialist services for the eligible New Zealand population in line with existing service coverage expectations and operating policy requirements and to ensure service and system improvements are continuously progressed as set out in the interim New Zealand Health Plan.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|--|-------------------------|---------------------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Actual investment decisions ensure balanced investment across appropriations and time horizons [short (Up to 2 years), medium (3-5 years) and longer-term (5+ years)] to maintain hospital and specialist services | Achieved | Work yet to be completed | Discontinued Measure |
| The New Zealand Health Plan sets out a path in agreed service areas to improve the consistency of hospital and specialist service provision to align with population need over time | Achieved | Achieved | Discontinued Measure |
| Audit NZ report rating of entity management controls | Good | Data only available at year end | Discontinued Measure |
| HNZ hospital and specialist services staff are engaged and have provided feedback on health reform process by 30 June 2023 | Achieved | Achieved | Discontinued Measure |

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|---------------------------|------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Service coverage expectations (appended to the interim Government Policy Statement) are fully met for hospital and specialist services | 100% | 100% | Discontinued Measure |
| All approved NZHP milestones agreed with the Minister for hospital and specialist services are delivered or adjusted milestones are agreed | 100% | 100% | Discontinued Measure |
| Improvement plans are in place for the agreed Health System Indicators relevant to annual Ministerial priorities for hospital and specialist services | Achieved | Not achieved | Discontinued Measure |
| The approved New Zealand Health Plan provides evidence of mechanisms to elevate the voices of people with lived experience in the design of hospital and specialist services | Achieved | Achieved | Discontinued Measure |
| Percentage of Planned Care Inpatient treatment case mix included elective and arranged discharges from a surgical specialty, or from a medical specialty where a surgical procedure has been provided are no less than the discharges delivered nationally by DHBs in 2021/22 | 100% | 84-86% | Discontinued Measure |
| Percentage of Planned Care minor Interventions comprised of elective or arranged non-case mix surgical procedures, which are completed in an inpatient setting and coded to NMDS and Outpatient or Community based minor procedures, which are completed in an outpatient or community setting and coded to NNPAC, that are delivered are no less than the interventions planned by DHBs in 2021/22 | 100% | 100% | Discontinued Measure |
| ESPI 1 - Percentage of services that report that more than 90% of referrals within the service are processed in 15 calendar days or less | 100% | 84% | Discontinued Measure |
| ESPI 3 - Percentage of patients in Active Review with a priority score above the actual Treatment Threshold (aTT) | 0% | 0% | Discontinued Measure |
| ESPI 8 - Percentage of patients prioritised using an approved national or nationally recognised prioritisation tool | 100% | 99% | Discontinued Measure |
| Percentage of patients with accepted referrals for elective coronary angiography who receive their procedure within 3 months (90 days) | 95% | 77% | Discontinued Measure |
| Percentage of patients with accepted referrals for CT scans who receive their scan, and the scan results are reported, within 6 weeks (42 days) | 95% | 74% | Discontinued Measure |
| Percentage of patients with accepted referrals for MRI scans who receive their scan, and the scan results are reported, within 6 weeks (42 days) | 90% | 61% | Discontinued Measure |
| Percentage of ophthalmology patients who wait no more than or equal to 50% longer than the intended time for their appointment. The 'intended time for their appointment' is the recommendation made by the responsible clinician of the timeframe in which the patient should next be reviewed by the ophthalmology service | 100% | 20% | Discontinued Measure |
| Percentage of patients (both acute and elective) who receive their cardiac surgery within the urgency timeframe based on their clinical urgency | 100% | 85% | Discontinued Measure |
| The percentage of patients who were acutely re-admitted post discharge improves from average DHB base level from 2019/20 to 2021/22 | improvement from baseline | Achieved | Discontinued Measure |
| Percentage of patients admitted, discharged or transferred from an emergency department (ED) within six hours | 95% | 71% | Discontinued Measure |

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|-------------------------|------------------|------------------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Percentage of patients who receive their first cancer treatment (or other management) within 62 days of being referred with a high suspicion of cancer and a need to be seen within two weeks | 90% | 83% | Discontinued Measure |
| Percentage of patients who receive their first cancer treatment (or other management) within 31 days from date of decision-to-treat | 85% | 85% | Discontinued Measure |
| ESPI 2 - Percentage of patients are waiting over four months for FSA | 0% | National 31% | 0% |
| ESPI 5 - Percentage of patients who are waiting over 120 days for treatment | 0% | National 46% | 0% |
| Percentage of patients prioritised using approved nationally recognised processes or tools | N/A | N/A | 100% |
| Percentage of women, where the diagnosis is cancer who have their initial treatment performed within 31 calendar days of the final decision to treat | N/A | N/A | Greater than or equal to 90% |
| Percentage of women, who have evidence of clinical suspicion of invasive carcinoma, or a laboratory report indicating 'features suspicious for invasion', or 'changes consistent with squamous cell carcinoma', or similar, who receive a date for a colposcopy appointment or a gynaecological assessment that is within 10 working days of receipt of the referral | N/A | N/A | Greater than or equal to 95% |
| Percentage of National Bowel Screening programme participants diagnosed with cancer who are referred for pre-operative presentation at a multidisciplinary meeting within 20 working days of diagnosis | N/A | N/A | 95% |
| Increase in the percentage of rangatahi seen within the three weeks from referral, in the 12 months to 30 June 2022 | N/A | N/A | Achieved |
| Decrease in the percentage of missed first specialist assessment appointments for Māori, compared with the 12 months to 30 June 2022, plus the equity gap between Māori and Pacific people and non-Māori, non-Pacific peoples also reduces | N/A | N/A | Achieved |
| Decrease in the rate of diabetes complications, from the 12 months to 30 June 2021 for Māori and Pacific people and non-Māori, non-Pacific peoples | N/A | N/A | Achieved |
| Increase in actual expenditure by kaupapa Māori hospital and specialist health service providers compared with the average of last five financial years | N/A | N/A | Achieved |
| Decrease in rate of acute readmissions within 28 days of discharge, reported by ethnicity and geographic area, compared with 2022/23 | N/A | N/A | Achieved |
| Increase in the proportion of Māori and other under-represented groups in the regulated health workforce, compared with the proportion of the total population, as compared with 12 months prior to 30 June 2022 | N/A | N/A | Achieved |
| Increase in proportion of Māori and other under-represented groups in the unregulated health workforce employed by Te Whatu Ora - Health New Zealand compared with the proportion of the total population, as compared with 12 months prior to 30 June 2022 | N/A | N/A | Achieved |
| Increase in proportion of Māori and Pacific people in leadership and governance roles in Te Whatu Ora - Health New Zealand, compared with 2022/23 | N/A | N/A | Achieved |

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Expenditure is consistent with budget for this appropriation against key line items and overall | N/A | N/A | Achieved |
| Proportion of total expenditure directed to mental health and addiction meets agreed level | N/A | N/A | Achieved |
| The proportion of hospital and specialist services within Te Whatu Ora - Health New Zealand that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4 | N/A | N/A | Achieved |
| Percentage of patients with accepted referrals for CT scans who receive their scan, and the scan results are reported, within 6 weeks (42 days) | 95% | 95% | 95% |
| Percentage of patients with accepted referrals for MRI scans who receive their scan, and the scan results are reported, within 6 weeks (42 days) | 90% | 90% | 90% |
| Percentage of patients (both acute and elective) who receive their cardiac surgery within the urgency timeframe based on their clinical urgency | 100% | 100% | 100% |
| Percentage of patients admitted, discharged or transferred from an emergency department (ED) within six hours | 95% | 95% | 95% |

Where possible, the estimated actual for quantitative measures reflect the most recent weekly, monthly or quarterly data available at time of reporting.

The performance measures for the 2022/23 year were developed by Manatū Hauora - Ministry of Health, the Treasury and the Transition Unit ahead of accountability documents such as the iGPS, Te Pae Tata Interim New Zealand Health Plan and Statement of Intent/Statement of Performance Expectations being prepared. A reduced and revised set of 2023/24 performance measures has been provided to ensure consistency between the current appropriations and the iGPS.

End of Year Performance Reporting

End of year performance information will be reported in the Annual Report of Te Whatu Ora - Health New Zealand.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Neonatal Retinopathy Screening | 2023/24 | - | 2,332 | 2,332 | 2,332 | 2,332 |
| Pay Equity Settlements and Improving Pay Relativities | 2022/23 | 482,229 | 406,959 | 406,959 | 406,959 | 406,959 |
| Addressing Historical and Future Health System Cost Pressures - Drawdown of 2022/23 Tagged Contingency | 2022/23 | 520,793 | 520,793 | 520,793 | 520,793 | 520,793 |
| Ministry ICT and Data & Digital Contracts and Funding Transfer | 2022/23 | 10,763 | 14,963 | 14,963 | 14,963 | 14,963 |
| Southern Digital Transformation Programme - Drawdown of Stage One Funding | 2022/23 | 2,314 | 4,229 | 1,760 | 14,828 | 14,828 |

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Drawdown from Contingency Funding for Capital Charge on New Capital Projects for Te Whatu Ora | 2022/23 | 4,937 | 9,874 | 9,874 | 9,874 | 9,874 |
| Health Response: Hospital and Specialist Services | 2022/23 | 4,097 | 4,753 | - | - | - |
| Supporting the Infrastructure and Investment Group Work Programme - Drawdown of Tagged Contingency | 2022/23 | 2,820 | 3,710 | - | - | - |
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 961,443 | 961,443 | 961,443 | 961,443 | 961,443 |
| Resourcing Additional Critical Care Beds across Aotearoa New Zealand | 2022/23 | 86,300 | 140,200 | 140,200 | 140,200 | 140,200 |
| Specialist Mental Health and Addiction Services - Increasing Availability of Focused Supports | 2022/23 | 9,400 | 14,700 | 25,900 | 50,000 | 50,000 |
| Continuing the Alcohol and Other Drug Treatment Courts: Auckland, Waitākere and the Waikato | 2022/23 | 8,119 | 8,119 | 8,119 | 8,119 | 8,119 |
| Drawdown of Capital Charge for Taranaki DHB (now part of Te Whatu Ora - Health New Zealand) | 2022/23 | 2,456 | 2,456 | 2,456 | 2,456 | 2,456 |
| Preventing Family Violence and Sexual Violence: Services for Victims of Non-Fatal Strangulation | 2022/23 | 2,028 | 2,028 | 2,028 | 2,028 | 2,028 |
| Proceeds of Crime Fund - Pou Oranga Whaiora | 2022/23 | 1,930 | - | - | - | - |
| Meeting the Demand for Organ Donation and Transplantation | 2022/23 | 750 | 2,750 | 3,750 | 3,750 | 3,750 |

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to:

- \$161.281 million carried forward from 2021/22 to 2022/23 only for the settlement of the Te Whatu Ora - Health New Zealand nurses pay equity claim
- \$99.025 million reduction in funding from the ongoing impact of a baseline transfer from the previous appropriation structure to reflect the new structure of the Vote Health appropriations from 1 July 2022 to support the health reforms
- \$75.270 million reduction in funding for pay equity settlements and improving pay relativities
- \$53.189 million carried forward from 2021/22 to 2022/23 only to meet the commitments for the Regional Hospital Redevelopment Programme and Accelerating Health Capital Project Delivery, reflecting the rephasing of these programmes
- \$42.828 million carried forward from 2021/22 to 2022/23 only to deliver the service improvement programme for Planned Care services, reflecting the rephasing of the programme
- \$12.500 million carried forward from 2021/22 to 2022/23 only to deliver Tranche 1 of the Health Sector Agreements and Payments Programme, reflecting the rephasing of the programme
- \$9.827 million for the net impact of a fiscally neutral transfer to the Delivering hauora Māori services appropriation for the hauora Māori teams moved from Te Whatu Ora - Health New Zealand districts to Te Aka Whai Ora - Māori Health Authority

- \$6 million carried forward from 2021/22 to 2022/23 only to fund the agreed projects for Christchurch earthquake repairs, reflecting the rephasing of the programme
- \$5 million for the net impact of a fiscally neutral transfer between this and various other appropriations to reflect the net impact of the funding and function transfers for the Health and Disability System Reforms, and
- \$3.304 million carried forward from 2021/22 to 2022/23 only for interim Health New Zealand (iHNZ) and the interim Māori Health Authority (iMHA) to meet their commitments in implementing the Day 1 readiness activities.

This decrease was partially offset by:

- \$53.900 million uplift to fund additional critical care beds across Aotearoa New Zealand
- \$11.050 million for the net impact of a fiscally neutral transfer from the Delivering Primary, Community, Public and Population Health Services appropriation to align funding with the reforecast expenses for the Data and Digital Infrastructure and Capability programme
- \$5.300 million of additional funding for the Budget 2022 initiative Specialist Mental Health and Addiction Services - Increasing Availability of Focused Supports
- \$4.937 million of additional funding for Te Whatu Ora - Health New Zealand to meet the increased costs of capital charge arising from contributions for new capital projects, and
- \$4.200 million for the net impact of a fiscally neutral transfer from the Stewardship of the New Zealand health system MCA to reflect the residual transfer of personnel, leased assets and ongoing commitments between agencies for residual IT related projects and programmes as a result of the health reforms.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

Delivering Primary, Community, Public and Population Health Services (M36) (A21)

Scope of Appropriation

This appropriation is limited to primary, community (including mental health), public and population health services at international, national, regional, and local levels.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 8,248,039 | 8,248,039 | 8,158,369 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to secure Primary, Community, Public and Population Health services at international, national, regional, and local levels in line with existing service coverage expectations and operating policy requirements and to ensure service and system improvements are continuously progressed as set out in the interim New Zealand Health Plan.

How Performance will be Assessed and End of Year Reporting Requirements

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|--|---------------------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Actual investment decisions ensure balanced investment across appropriations and time horizons [short (Up to 2 years), medium (3-5 years) and longer-term (5+ years)] to shift investment into primary and community care services | Achieved | Data only available at year end | Discontinued Measure |
| The New Zealand Health Plan sets out a path in agreed service areas to improve the consistency of primary and community care service provision to align with population need over time | Achieved | Achieved | Discontinued Measure |
| Audit NZ report rating of entity management controls | Good | Data only available at year end | Discontinued Measure |
| HNZ primary and community care staff provide positive feedback on reform change process, reflected in 80% staff either neutral or positive engagement responses | Achieved | Achieved | Discontinued Measure |
| Service coverage expectations (appended to the interim Government Policy Statement) are fully met for Primary, Community, Public and Population Health Services | 100% | Achieved | Discontinued Measure |
| All approved NZHP milestones agreed with the Minister for primary, community public and population health services are delivered or adjusted milestones are agreed | 100% | 100% | Discontinued Measure |
| Improvement plans are in place for agreed Health System Indicators relevant to annual Ministerial priorities for primary and community care by the date agreed by the Minister of Health | Achieved | Not Achieved | Discontinued Measure |
| Percentage of PHOs that have implemented, trained staff and audited the quality of ethnicity data using EDAT within the past three-year period | 100% | Data not currently collected | Discontinued Measure |
| Percentage of PHOs with Stage 3 EDAT results that show a level of match in ethnicity data of greater than 90 percent | 100% | Data not currently collected | Discontinued Measure |
| The approved New Zealand Health Plan sets out mechanisms to be developed to elevate the voices of people with lived experience in the design of primary and community care services | Achieved | Achieved | Discontinued Measure |
| Percentage of infants fully breastfed at three months of age as recorded on the WCTO NHI dataset | 70% Māori and Total population | Not Achieved | Discontinued Measure |
| Percentage of obese children identified in the Before School Check (B4SC) programme offered a referral to a health professional for clinical assessment and family-based nutrition, activity and lifestyle interventions | 95% | 95% | Discontinued Measure |
| Percentage of women aged 45-69 who have completed breast screening in the previous two years | 70% for Māori, Pacific and Total population | 59-65% | Discontinued Measure |
| Percentage of women aged 25-69 who have completed cervical screening in the previous three years | 80% coverage for all ethnic groups and overall | 54-67% | Discontinued Measure |
| Percentage of PHO enrolled patients who smoke and have been offered help to quit smoking by a health care practitioner in the last 15 months | 90% | 64-72% | Discontinued Measure |

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|---|---------------------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Percentage of children aged 0 to 4 years of age inclusive, who are enrolled with HNZ/MHA funded oral health services | 95% | Data only available at year end | Discontinued Measure |
| Percentage of pre-school and primary school children enrolled with HNZ/MHA funded oral health services are overdue for their scheduled examinations | Less than or equals 10% | 46% | Discontinued Measure |
| Percentage of children enrolled with a general practice by 6 weeks of age | 55% | 58-72% | Discontinued Measure |
| Percentage of children enrolled with a general practice by 3 months of age | 85% | 68-87% | Discontinued Measure |
| Percentage of the Māori population enrolled with a PHO | 95% | 83% | Discontinued Measure |
| Percentage of people accepted for an urgent diagnostic colonoscopy receive (or are waiting for) their procedure 14 calendar days or less 100% within 30 days or less | 90% | 86% | Discontinued Measure |
| Percentage of people accepted for a non-urgent diagnostic colonoscopy will receive (or are waiting for) their procedure in 42 calendar days or less, 100% within 90 days or less | 70% | 45% | Discontinued Measure |
| Percentage of people waiting for a surveillance colonoscopy receive (or are waiting for) their procedure in 84 calendar days or less of the planned date, 100% within 120 days or less | 70% | 53% | Discontinued Measure |
| Percentage of people who returned a positive faecal immunochemical test (FIT) have a first offered diagnostic date that is within 45 working days or less of their FIT result being recorded in the NBSP IT system | 95% | 89% | Discontinued Measure |
| Percentage of people enrolled with a PHO aged 15-74 with diabetes on the health virtual diabetes register with a most recent HbA1c during the past 12 months of equal to or less than 64 mmol/mol | 95-100% for all ethnic groups and overall | Data not currently collected | Discontinued Measure |
| Percentage of people enrolled with a PHO aged 15-74 with diabetes on the health virtual diabetes register with a most recent HbA1c during the past 12 months of equal to or less than 80mmol/mol | More than 60% for all ethnic groups and overall | Data not currently collected | Discontinued Measure |
| Percentage of people enrolled with a PHO aged 15-74 with diabetes on the health virtual diabetes register with a most recent HbA1c during the past 12 months of equal to or less than 100mmol/mol; and greater than 100mmol/mol) | Less than or equal to 8% for all ethnic groups | Data not currently collected | Discontinued Measure |
| Percentage of Acute Coronary Syndrome patients undergoing coronary angiogram meeting ANZACS-QI indicator door to cath timelines of within 3 days | 70% | 71% | Discontinued Measure |
| Percentage of patients presenting with Acute Coronary Syndrome who undergo coronary angiography have completion of ANZACS QI ACS and Cath/PCI registry data collection within 30 days of discharge | 95% | 92% | Discontinued Measure |
| Percentage of patients presenting with Acute Coronary Syndrome who undergo coronary angiography have completion of ANZACS QI ACS and Cath/PCI registry data collection within 3 months of discharge | 99% | 84% | Discontinued Measure |
| Percentage of Acute Coronary Syndrome patients who undergo coronary angiogram and have a pre-discharge echocardiogram or LVgram | 85% | 88% | Discontinued Measure |
| Percentage of Acute Coronary Syndrome patients who undergo coronary angiogram and are prescribed a secondary prevention medication at discharge (in the absence of a documented contraindication/intolerance) | 85% | 84% | Discontinued Measure |

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|---|-----------------------------------|---|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Percentage of patients who have pacemaker or implantable cardiac defibrillator implantation/replacement and have completion of ANZACS-QI Device PPM forms completed within 2 months of the procedure | 99% | 81% | Discontinued Measure |
| Percentage of acute stroke patients admitted to a stroke unit or organised stroke service with a demonstrated stroke pathway within 24 hours of their presentation to hospital | 80% | 64% | Discontinued Measure |
| Percentage of patients with ischaemic stroke thrombolysed and/or treated with clot retrieval | 12% | 15% | Discontinued Measure |
| Percentage of patients admitted with acute stroke who are transferred to in-patient rehabilitation services within 7 days of acute admission | 80% | 66% | Discontinued Measure |
| Percentage of stroke patients referred for community rehabilitation who are seen face to face by a member of the community rehabilitation team (ie, RN/PT/OT/SLT/SW/Dr/Psychologist) within 7 calendar days of hospital discharge | 60% | 49% | Discontinued Measure |
| Mental health expenditure ringfence expectations are met | Achieved | This will be reported at year end | Discontinued Measure |
| Māori access as a percentage of all people accessing primary mental health and addiction: Access and Choice services | 20% Māori | Achieved | Discontinued Measure |
| Percentage of eligible eight-month-olds enrolled on NIR fully immunised - age-appropriate immunisations | 95% Māori, Pacific and Total population | 84% | 95% Māori, Pacific and Total population |
| Percentage of eligible two-year-olds enrolled on NIR fully immunised - age appropriate immunisations | 95% Māori, Pacific and Total population | 83% | 95% Māori, Pacific and Total population |
| Percentage of eligible five-year-olds enrolled on NIR fully immunised - age appropriate immunisations | 95% Māori Pacific and Total population | 82% | 95% Māori Pacific and Total population |
| Percentage of girls and boys born in the relevant birth cohort who have completed their HPV immunisation course as per Schedule and recorded on the NIR fully immunised | 75% Māori, Pacific and Total population | 54% | 75% Māori, Pacific and Total population |
| Percentage of eligible people aged 65 years and over enrolled on the NIR who have completed at least one influenza vaccination for the given vaccination year | 75% Māori, Pacific and Total population | 71% | 75% Māori, Pacific and Total population |
| Increase in expenditure by kaupapa Māori primary, community, public and population health service providers, compared with the average of the last five financial years | N/A | N/A | Achieved |
| Increase in percentage of Māori and Pacific people and non-Māori, non- Pacific peoples who say they receive care from a GP or nurse when they need it, compared with results from June 2021 | N/A | N/A | Achieved |
| Increase in percentage of Māori and Pacific people and non-Māori, non- Pacific peoples who say they feel involved in their own care and treatment with their GP or nurse | N/A | N/A | Achieved |
| Increase in rongoā consultations for rongoā Māori clients provided in terms of both total volumes and spread across the country | N/A | N/A | Achieved |
| Improvement in feedback from the Iwi-Māori Partnership Boards on how they are fulfilling their role and whether they are receiving the support they require, compared with baseline established for 2022/23 | N/A | N/A | Achieved |

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|-------------------------|------------------|--|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Decrease in proportion of people reporting unmet need for primary health care, reported by ethnicity and geographic area, compared with the 12 months to 30 June 2019 | N/A | N/A | Achieved |
| Decrease in rate of hospital admissions for children under five years of age for an illness that might have been prevented or better managed in the community, compared to results for the 12 months to December 2019 | N/A | N/A | Achieved |
| Decrease in rate of hospital admissions for people aged 45-64 years for an illness that might have been prevented or better managed in the community, compared to results for the 12 months to December 2019 | N/A | N/A | Achieved |
| Number of people who have access to Kaupapa Māori, Pacific and Youth Primary Mental Health and Addiction Services through the Access and Choice programme | N/A | N/A | Meet annual access level established for 2023/24 |
| Increase in percentage of pregnant people who register with an LMC in the first trimester of their pregnancy of all registrations, compared with baseline established for 2022/23 | N/A | N/A | Achieved |
| Expenditure is consistent with budget for the appropriation against key line items and overall | N/A | N/A | Achieved |
| Proportion of total expenditure directed to mental health and addiction meets agreed level | N/A | N/A | Achieved |
| The proportion of primary, community, public and population health services hospital and specialist services within Te Whatu Ora - Health New Zealand that have been assessed against the Consumer Engagement Quality and Safety Marker; and of those, the proportion that have been assessed at Level 3 or 4 | N/A | N/A | Achieved |
| Number of people who have access to primary mental health and addiction support services through the Access and Choice programme | N/A | N/A | Meet annual access level established for 2023/24 |
| Percentage of children enrolled with a general practice by 3 months of age | 85% | 85% | 85% |

Where possible, the estimated actual for quantitative measures reflect the most recent weekly, monthly or quarterly data available at time of reporting.

The performance measures for the 2022/23 year were developed by Manatū Hauora - Ministry of Health, the Treasury and the Transition Unit ahead of accountability documents such as the iGPS, Te Pae Tata Interim New Zealand Health Plan and Statement of Intent/Statement of Performance Expectations being prepared. A reduced and revised set of 2023/24 performance measures has been provided to ensure consistency between the current appropriations and the iGPS. The iGPS is a public statement of what Government expects the health sector to deliver and achieve in the period 2022 to 2024.

End of Year Performance Reporting

End of year performance information will be reported in the Annual Report of Te Whatu Ora - Health New Zealand.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Transfer of Funding for Specific Hauora Māori Services | 2023/24 | - | (387,655) | (387,655) | (387,655) | (387,655) |
| Removing Prescription Co-payments for all New Zealanders | 2023/24 | - | 170,197 | 174,452 | 178,813 | 183,284 |
| Psychosocial Recovery: Mental Health and Wellbeing Response | 2023/24 | - | 10,000 | - | - | - |
| New Zealand's Future Quarantine and Isolation Capability | 2023/24 | - | 3,323 | 3,323 | - | - |
| Well Child Tamariki Ora - Continuation of the Enhanced Support Pilots | 2023/24 | - | 1,250 | 2,450 | 2,450 | 2,450 |
| Pay Equity Settlements and Improving Pay Relativities | 2022/23 | 91,469 | 177,357 | 177,442 | 177,527 | 177,580 |
| BreastScreen Aotearoa Critical Infrastructure Replacement - Drawdown of Tagged Contingency | 2022/23 | 6,735 | 24,571 | 18,941 | 9,750 | 9,750 |
| Supporting the establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency | 2022/23 | 11,747 | 18,017 | 12,376 | 5,902 | 5,902 |
| Human Papillomavirus Primary Screening for the National Cervical Screening Programme - Drawdown of Tagged Contingency | 2022/23 | 16,503 | 19,889 | 5,660 | 3,621 | 2,998 |
| Health Sector Agreements and Payments Programme - Drawdown of Tranche Two Funding | 2022/23 | 17,305 | 15,548 | 4,157 | 4,157 | 4,157 |
| Ministry ICT and Data & Digital Contracts and Funding Transfer | 2022/23 | 5,796 | 8,057 | 8,057 | 8,057 | 8,057 |
| HIV Action Plan - Implementation Plan and Drawdown of Tagged Contingency | 2022/23 | 2,000 | 5,100 | 5,250 | 4,200 | 4,200 |
| Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged contingency | 2022/23 | 250 | 1,639 | 2,232 | 2,485 | 2,485 |
| Health Response: Primary, Community, and Residential Care Recovery | 2022/23 | 3,294 | 2,817 | - | - | - |
| Health Response: Transport and Power | 2022/23 | 579 | 1,157 | - | - | - |
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 304,723 | 304,723 | 304,723 | 304,723 | 304,723 |
| Population Health and Disease Management Digital Capability | 2022/23 | 37,402 | 29,281 | 29,316 | 29,316 | 29,316 |
| Emergency Road Ambulance Services - Additional Support Funding | 2022/23 | 31,732 | 44,776 | 44,776 | 44,776 | 44,776 |
| Emergency Air Ambulance Services - Additional Support Funding | 2022/23 | 23,087 | 22,512 | 22,550 | 22,563 | 22,563 |
| Mana Ake - Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students | 2022/23 | 14,333 | 21,817 | 24,456 | 28,734 | 28,734 |
| Primary Care Funding Formula - Equity Adjustments to Capitation | 2022/23 | 12,758 | 24,414 | 24,414 | 24,414 | 24,414 |
| Allowing Payment to Family Members for Support Services | 2022/23 | 11,000 | 17,000 | 22,000 | 22,000 | 22,000 |

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Pacific Primary and Community Care Provider Development - Securing Future Capability and Shifting into New Models of Care | 2022/23 | 7,768 | 14,044 | 14,044 | 14,044 | 14,044 |
| Comprehensive Primary Care Teams | 2022/23 | 5,854 | 61,146 | 35,000 | - | - |
| Implementing an Enhanced Influenza Immunisation Programme for 2022 in response to COVID-19 | 2022/23 | 4,830 | - | - | - | - |
| Service Integration for Locality Provider Networks | 2022/23 | 4,794 | 27,624 | - | - | - |
| Health Workforce Development | 2022/23 | 4,000 | 13,000 | 10,000 | 10,000 | 10,000 |
| Extending School Based Health Services | 2022/23 | 3,137 | 3,137 | 3,137 | 3,137 | 3,137 |
| Addressing the Burden of Diabetes for Pacific Communities | 2022/23 | 3,000 | 5,000 | 6,000 | 6,000 | 6,000 |
| Dementia Mate Wareware Action Plan - Implementation Support Funding | 2022/23 | 1,820 | 2,860 | 3,660 | 3,660 | 3,660 |
| Piki - Continuation of Integrated Primary Mental Health and Addiction Support for Young People in Greater Wellington | 2022/23 | 1,750 | 3,500 | 3,500 | 3,500 | 3,500 |
| Introducing a Rights-based Approach to Health Care for Intersex Children and Young People | 2022/23 | 699 | 699 | 684 | 434 | 434 |
| Improving Access to Primary Health Care Services for Transgender People | 2022/23 | 589 | 583 | 481 | 529 | 529 |
| Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25 | 2022/23 | 460 | 460 | 460 | - | - |
| Preventing the Harm from Serious and Organised Crime in New Zealand | 2022/23 | 94 | 188 | 188 | 188 | 188 |

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to:

- \$387.655 million for a transfer of funding to the Delivering hauora Māori services appropriation effective from 2023/24 to better reflect the funding for Kaupapa Māori health services commissioned by Te Aka Whai Ora - Māori Health Authority as part of the health reforms
- \$32.343 million carried forward from 2021/22 to 2022/23 only to support various initiatives within the National Immunisation Programme, reflecting the rephasing of the programme
- \$28.500 million carried forward from 2021/22 to 2022/23 only to implement the Cyber Security and Hira tranche 1 of the Data and Digital Infrastructure and Capability programme, reflecting the rephasing of the programme
- \$11.050 million for a fiscally neutral transfer to the Delivering Hospital and Specialist Services appropriation to align funding with reforecast expenses for the Data and Digital Infrastructure and Capability programme
- \$10.580 million for a fiscally neutral transfer in 2022/23 only from the New Zealand Customs Service to reflect the increase in costs related for alcohol-related programmes with associated revenue

- \$10 million for a fiscally neutral transfer in 2022/23 only from the non-departmental capital expenditure Capital investment in Health New Zealand appropriation and the Ministry of Health - Capital Expenditure permanent legislative authority (PLA) to convert the capital funding of the National Cyber Security Uplift Programme into operational funding, reflecting this programme involves Software as a Service (SaaS) arrangements
- \$9.642 million carried forward from 2021/22 to 2022/23 only for interim Health New Zealand (iHNZ) and the interim Māori Health Authority (iMHA) to meet their commitments in implementing the Day 1 readiness activities
- \$8.121 million reduction in funding for the Budget 2022 initiative Population Health and Disease Management Digital Capability
- \$7.161 million carried forward from 2021/22 to 2022/23 only to provide funding for BreastScreen Aotearoa, National Cervical Screening Programme and National Bowel Screening Programme, reflecting the rephasing of the programmes
- \$5.403 million carried forward from 2021/22 to 2022/23 only to continue delivering various technology projects that utilise SaaS arrangements, reflecting the rephasing of the programme, and
- \$5 million carried forward from 2021/22 to 2022/23 only to support the coordination and implementation of the health sector support workers' pay equity process.

This decrease was partially offset by:

- \$170.197 million of additional funding to remove prescription co-payments for all New Zealanders
- \$85.888 million of additional funding for pay equity settlements and improving pay relativities
- \$55.292 million of additional funding for the Budget 2022 initiative Comprehensive Primary Care Teams to provide funding for the establishment of integrated primary care teams
- \$22.830 million of additional funding for the Budget 2022 initiative Service Integration for Locality Provider Networks to enable the delivery of joint, multidisciplinary services within locality provider networks
- \$17.836 million of additional funding to implement the BreastScreen Aotearoa Critical Infrastructure Replacement programme
- \$13.950 million carried forward from 2021/22 to support Kahu Taurima - a joint programme that combines the transformative changes under the Early Years initiative, with the actions and goals of Mokopuna Pae Ora - Early Years work programme
- \$13.044 million of additional funding for the Budget 2022 initiative Emergency Road Ambulance Services - Additional Support Funding to support essential emergency road ambulance services for Aotearoa New Zealand's urban and rural communities
- \$11.656 million of additional funding for the Budget 2022 initiative Primary Care Funding Formula - Equity Adjustments to Capitation to provide additional funding to more equitably allocate primary care funding to general practices on the basis of their enrolled high needs populations
- \$10 million of additional funding for the Budget 2023 North Island Weather Events Response and Recovery initiative Psychosocial Recovery: Mental Health and Wellbeing Response to provide funding for locally-led, community-based mental wellbeing initiatives

- \$9 million of additional funding for the Budget 2022 initiative Health Workforce Development to provide funding for workforce training and development to underpin critical reform initiatives
- \$7.484 million of additional funding for the Budget 2022 initiative Mana Ake - Continuation and Expansion of Mental Wellbeing Support for Primary and Intermediate School-aged Students to provide funding to enable ongoing service delivery of Mana Ake
- \$6.276 million of additional funding for the Budget 2022 initiative Pacific Primary and Community Care Provider Development - Securing Future Capability and Shifting into New Models of Care to secure advanced primary and community care capability
- \$6.270 million of additional funding to support the establishment of the National Public Health Service and Public Health Agency, and
- \$6 million of additional funding for the Budget 2022 initiative Allowing Payment to Family Members for Support Services.

Conditions on Use of Appropriation

| Reference | Conditions |
|------------------------------------|--|
| Pae Ora (Healthy Futures) Act 2022 | Section 94 of the Act sets out the process for giving notice of payment terms or conditions to any person. The Ministry has issued a Notice pursuant to section 94 of the Act, "the Arrangements relating to payments", which sets out terms and conditions. |

Monitoring and Protecting Health and Disability Consumer Interests (M36) (A21)

Scope of Appropriation

This appropriation is limited to the provision, purchase, and support of services that monitor and protect health and disability consumer interests.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 39,296 | 39,296 | 39,551 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to protect the rights of people using health and disability services. This includes addressing the concerns of whānau and investigating alleged breaches of patients' rights.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|--|-------------------------|------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Health and Disability Commissioner (HDC) | | | |
| Number of complaints closed by HDC | 2,400 - 2,600 | 2,400 - 2,600 | 2,700 - 3,000 |
| Number of complaints closed by Advocacy | 2,600 - 3,000 | 2,600 - 3,000 | 2,600 - 3,100 |
| Number of visits carried out by advocates with community groups and provider organisations to provide information about the Code of Health and Disability Services Consumers' Rights, HDC and the Advocacy Service | 3,500 | 3,500 | 3,500 |
| Number of education sessions HDC provides to consumers to promote awareness of, respect for, and observance of the rights of consumers and how they may be enforced | 20 | 730 | 1,000 |
| Generate 50 media stories on HDC decision report or other matters of public interest that affect consumer rights, in order to promote the Code of Rights work | 50 | 62 | 50 |
| Te Tāhū Hauora - Health Quality and Safety Commission | | | |
| A publication on the quality of Aotearoa New Zealand's health care is provided by 30 June | Achieved | Achieved | Achieved |
| Provide tools (for example the atlas of healthcare variation, quality and safety markers, and quality dashboard) to allow the system and public to explore the quality and safety of services by 30 June | 4 | Achieved | Achieved |
| Support the health workforce to build capability in quality improvement through provision of a course by 30 June | Achieved | Achieved | Achieved |
| Te Hiringa Mahara - Mental Health and Wellbeing Commission | | | |
| Report on Access and Choice programme prepared and published by 30 June | Achieved | Achieved | Discontinued Measure |
| He Ara Āwhina monitoring framework has been applied to a publish report on mental health and addiction services (which includes the access and choice programme) by 30 June | Achieved | Achieved | Achieved |

Some measures have been discontinued and replaced with measures that more appropriately reflect work of the entities in the reformed system.

The budget standard for Health and Disability Commissioner's education session measure has increased significantly due to HDC introducing an online learning module, which is more accessible by individual consumers and providers therefore increase the quantity of sessions provided.

The Te Tāhū Hauora - Health Quality and Safety Commission measure related to providing tools to explore the quality and safety has been adjusted for 2022/23 financial year. This is to broaden the measure from being too narrow and only measuring Quality Alters when alternative tools are being explored.

The performance measures in this appropriation reflect the indicative information provided in the Statement of Performance Expectations.

End of Year Performance Reporting

Crown entity performance information will be reported in their respective Annual Reports.

Service Providers

| Provider | 2022/23 Final Budgeted \$000 | 2022/23 Estimated Actual \$000 | 2023/24 Budget \$000 | Expiry of Resourcing Commitment |
|--|------------------------------------|--------------------------------------|----------------------------|---------------------------------------|
| Crown Entities | | | | |
| Health and Disability Commissioner | 16,920 | 16,920 | Not yet known | Ongoing |
| Te Tāhū Hauora - Health Quality and Safety Commission | 17,305 | 17,305 | Not yet known | Ongoing |
| Te Hiringa Mahara - Mental Health and Wellbeing Commission | 5,071 | 5,071 | Not yet known | Ongoing |
| Total | 39,296 | 39,296 | 39,551 | |

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Health Reform - Consumer/Whānau Voice Framework | 2022/23 | 2,130 | 2,300 | 2,200 | 2,200 | 2,200 |
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 |
| Establishment of an Aged Care Commissioner under the Health and Disability Commissioner | 2021/22 | (1,945) | (1,945) | (1,945) | (1,945) | (1,945) |
| Health and Disability Commissioner - Sustainability and Expansion of Scope Due to New Legislation | 2021/22 | 2,900 | 2,900 | - | - | - |
| Establishing an Aged Care Commissioner | 2021/22 | 1,945 | 1,945 | 1,945 | 1,945 | 1,945 |
| Health Quality and Safety Commission - Additional Resourcing | 2021/22 | 1,400 | 1,400 | - | - | - |
| Establishing and Operating the Mental Health and Wellbeing Commission | 2020/21 | 2,961 | 2,961 | 2,961 | 2,961 | 2,961 |
| Establishing a New Mental Health and Wellbeing Commission | 2019/20 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |

National Management of Pharmaceuticals (M36) (A21)*Scope of Appropriation*

| |
|---|
| This appropriation is limited to services relating to the national management of pharmaceuticals. |
|---|

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 29,347 | 29,347 | 28,372 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide for the operating costs of Te Pātaka Whaioranga - Pharmac to deliver health-related services that align with Government priorities for the strategic direction for health services (see Manatū Hauora - Ministry of Health's Statement of Strategic Intentions) but are out of scope for other national services appropriations in Vote Health.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|---|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Timeliness of funding decisions is improved through a reduction in the average time to assess and rank new applications | Achieved | Achieved | Achieved |
| Timeliness of Pharmacology and Therapeutics Advisory Committee and sub-committee records is improved through a reduction in the average time to publish records | Achieved | Achieved | Achieved |
| Proportion of key pharmaceutical decisions consulted on for new proposals | 100% | 100% | 100% |

The performance measures in this appropriation reflect the indicative information provided in the Statement of Performance Expectations.

End of Year Performance Reporting

Performance information for this appropriation will be reported by Te Pātaka Whaioranga - Pharmac in its Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| COVID-19 Vaccine Portfolio Update - Novation and Pharmac Resourcing | 2022/23 | 475 | - | - | - | - |
| Addressing Historical and Future Vote Health Cost Pressures | 2022/23 | 1,110 | 1,110 | 1,110 | 1,110 | 1,110 |
| COVID-19 Therapeutic Strategy - Securing Products for the Treatment of COVID-19 | 2021/22 | 500 | - | - | - | - |
| Pharmac - Increase in Operational Budget | 2020/21 | 1,774 | 1,774 | 1,774 | 1,774 | 1,774 |

National Pharmaceuticals Purchasing (M36) (A21)

Scope of Appropriation

This appropriation is limited to purchasing pharmaceuticals on the national pharmaceutical schedule and subsidising the supply of pharmaceuticals not on the national pharmaceutical schedule.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 1,186,000 | 1,186,000 | 1,311,000 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment from within the amount of funding provided in the appropriation.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|---|----------------------------|---------------------|----------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Timeliness of funding decisions is improved through a reduction in the average time to assess and rank new applications | Achieved | Achieved | Discontinued Measure |
| Increase in the number of New Zealanders receiving funded medicines | Achieved | Achieved | Achieved |
| Increase in the number of new medicines funded | Achieved | Achieved | Achieved |
| Access is widened to an increased number of medicines that are already funded | Achieved | Achieved | Achieved |
| Increase in the estimated number of people benefitting from new medicines funded | Achieved | Achieved | Achieved |

The performance measures in this appropriation reflect the indicative information provided in the Statement of Performance Expectations.

End of Year Performance Reporting

Performance information for this appropriation will be reported by Te Pātaka Whaioranga - Pharmac in its Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--|----------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Investment to Increase Access to Medicines | 2023/24 | - | 66,000 | - | - | - |
| Increase in the Combined Pharmaceutical Budget | 2022/23 | 71,000 | 120,000 | - | - | - |

Reasons for Change in Appropriation

The increase in this appropriation for 2023/24 is due to:

- \$66 million of additional funding in 2023/24 to give Te Pātaka Whaioranga - Pharmac additional scope to invest in more new medicines
- \$49 million of additional funding for the Budget 2022 initiative Increase in the Combined Pharmaceutical Budget to improve patients' access to well-evidenced medical treatments and contribute to improved health outcomes, and
- \$10 million for the ongoing impact of a baseline transfer from the previous appropriation structure to reflect the new structure of the Vote Health appropriations from 1 July 2022 to support the health reforms.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

Problem Gambling Services (M36) (A21)

Scope of Appropriation

This appropriation is limited to the provision, purchase, and support of services that minimise the harm from gambling, in accordance with the Gambling Act 2003.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 23,711 | 22,976 | 26,027 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide services to reduce the harm caused by problem gambling.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|---|----------------------------|---------------------|--------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| The number of people accessing support from problem gambling services | 6,750 | 6,750 | 6,750 |
| The number of brief only interventions delivered | 6,000 | 6,000 | 6,000 |

End of Year Performance Reporting

End of year performance information will be reported in the Annual Report of Te Whatu Ora - Health New Zealand.

Service Providers

| Provider | 2022/23 Final Budgeted \$000 | 2022/23 Estimated Actual \$000 | 2023/24 Budget \$000 | Expiry of Resourcing Commitment |
|--|------------------------------------|--------------------------------------|----------------------------|---------------------------------------|
| Crown Entities | | | | |
| Te Whatu Ora - Health New Zealand | 16,735 | 16,735 | Not yet known | Ongoing |
| Te Aka Whai Ora - Māori Health Authority | 5,621 | 5,621 | Not yet known | Ongoing |
| Non-Governmental Organisations | | | | |
| Other NGOs | 1,355 | 620 | Not yet known | Ongoing |
| Total | 23,711 | 22,976 | 26,027 | |

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Strategy to Prevent and Minimise Gambling Harm 2022/23 to 2024/25 | 2022/23 | 5,990 | 15,006 | 13,375 | - | - |

3.4 - Non-Departmental Other Expenses

International Health Organisations (M36) (A21)

Scope of Appropriation

This appropriation is limited to the Crown funding New Zealand's World Health Organization (WHO) membership and contributing to specific WHO projects.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 2,230 | 2,230 | 2,230 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to ensure that New Zealand maintains its membership in the World Health Organisation (WHO) and contributes to specific WHO projects.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Legal Expenses (M36) (A21)

Scope of Appropriation

This appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.

Expenses

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 1,802 | 1,802 | 1,208 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable action to be taken regarding legal claims related to Vote Health, and these are funded and appropriate settlements are made, as appropriate.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity under s.15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is limited to funding the defence and settlement of health-related or disability-related legal claims against the Crown.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Crown Response to Abuse in Care Inquiry | 2022/23 | 200 | - | - | - | - |

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to:

- \$394,000 for the net impact of funding carried forward from 2021/22 to 2022/23 only and a fiscally neutral transfer to Vote Social Development for Funded Family Care related litigation, and
- \$200,000 for the Budget 2022 initiative Crown Response to Abuse in Care Inquiry to ensure the Crown can continue to engage with the Royal Commission of Inquiry into Historical Abuse in State Care and Faith-Based Institutions.

3.5 - Non-Departmental Capital Expenditure

Capital investment in Health New Zealand (M36) (A21)

Scope of Appropriation

This appropriation is limited to capital investment to establish Health New Zealand.

Capital Expenditure

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 35,241 | 35,241 | 10,800 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide for Te Whatu Ora - Health New Zealand to be established and operating with appropriate infrastructure in place.

How Performance will be Assessed and End of Year Reporting Requirements

| | 2022/23 | | 2023/24 |
|--|----------------------------|---------------------|--------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Te Whatu Ora - Health New Zealand makes progress towards establishing itself and operating with appropriate infrastructure | New measure | New measure | Achieved |

As this appropriation is no longer exempt from providing performance information, the performance measure has been included that reflects the scope and intention of the appropriation. Te Whatu Ora will use the funding to establish itself with appropriate infrastructure.

End of Year Performance Reporting

Performance information for this appropriation will be reported in Te Whatu Ora - Health New Zealand's Annual Report.

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to:

- \$20.797 million for the ongoing impact of a baseline transfer from the previous appropriation structure to reflect the new structure of the Vote Health appropriations from 1 July 2022 to support the health reforms, and
- \$14.041 million for the transfer of departmental assets from Manatū Hauora - Ministry of Health to Te Whatu Ora - Health New Zealand in 2022/23 only as part of the health reforms.

This decrease was partially offset by:

- \$7.470 million for a fiscally neutral transfer to the non-departmental output expense Delivering Primary, Community, Public and Population Health Services appropriation in 2022/23 only to convert the capital funding of the National Cyber Security Uplift Programme into operational funding to reflect change in the accounting treatment for Software as a Service (SaaS) arrangements.

Vote Health was restructured from 1 July 2022 to reflect the impact of the Health and Disability System reforms. Details of this restructuring can be found in the Estimates of Appropriations 2022/23. The Reasons for Change in Appropriations and Current and Past Policy Initiatives associated with the earlier appropriations can be found in prior years' Estimates of Appropriations (2021/22 and prior years) for Vote Health.

Health Capital Envelope (M36) (A21)

Scope of Appropriation and Expenses

| Type, Title, Scope and Period of Appropriations | Appropriations, Adjustments and Use | \$000 |
|--|-------------------------------------|-----------|
| Health Capital Envelope (M36) (A21) This appropriation is limited to the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments. Commences: 01 July 2022 Expires: 30 June 2027 | Original Appropriation | 4,864,162 |
| | Adjustments to 2021/22 | - |
| | Adjustments for 2022/23 | 589,071 |
| | Adjusted Appropriation | 5,453,233 |
| | Actual to 2021/22 Year End | - |
| | Estimated Actual for 2022/23 | 967,701 |
| | Estimate for 2023/24 | 989,543 |
| | Estimated Appropriation Remaining | 3,495,989 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide for the provision or purchase of health sector assets, providing capital to health sector Crown entities or agencies for new investments.

How Performance will be Assessed and End of Year Reporting Requirements

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Te Whatu Ora - Health New Zealand is seen as a high-quality asset manager for the health estate as measured by the Asset Management Maturity index for the health portfolio (see Note 1) | 40-60% | 40-60% | 40-60% |
| Te Whatu Ora - Health New Zealand provides an annual update to the Ministers of Health and Finance on the improvement programme's enhancement of the asset and investment management framework | Achieved | Achieved | Achieved |
| The extent to which actual benefits meet the expected benefits from those capital investments as set out in the relevant business case | 80% | 80% | 80% |
| Develop an Investment Strategy and National Asset Management Strategy by 31 December 2023 | N/A | N/A | Achieved |
| Increased proportion of medical appointments completed through digital channels, as compared with 2021/22 baseline measure | N/A | N/A | Achieved |

Note 1 - The Asset Management Maturity index scale is 0-20% Aware, 20-40% Minimum, 40-60% Core, 60-80% Intermediate and 80-100% Advanced on the index criteria established by the Treasury. This will include a continuous improvement programme to achieve 75-85% in future years.

The performance measure information provided support the expectations outlined in the Health Capital Settings Cabinet Paper and subsequent Letter of Expectations.

Two additional measures have been added to capture the development of an investment strategy and asset management strategy to underpin future planning and to reflect a focus on investment in digital channels for medical appointments.

End of Year Performance Reporting

Performance information for this appropriation will be reported in Te Whatu Ora - Health New Zealand's Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Equity Injection for the New Zealand Blood and Organ Service | 2022/23 | 52,000 | 15,000 | - | - | - |
| Southern Digital Transformation Programme - Drawdown of Stage One Funding | 2022/23 | 20,408 | 24,006 | 15,525 | - | - |
| State Sector Decarbonisation | 2022/23 | 22,614 | 39,543 | - | - | - |
| New Dunedin Hospital Cost Estimation and Value Management | 2022/23 | (110,000) | - | - | - | - |
| Capital for Health Sector Infrastructure | 2022/23 | 1,304,530 | 1,519,600 | 1,058,032 | 982,000 | - |

Conditions on Use of Appropriation

| Reference | Conditions |
|---|---|
| Cabinet Office Circular CO (19) 6: Investment Management and Asset Performance in the State Services Health System: New Capital Settings [SWC-22-MIN-0063] | In Stage One of the new capital settings for the Health system, the following apply: <ul style="list-style-type: none"> Investments up to \$25 million in whole-of-life cost, and are either low or medium risk, may be approved by the Te Whatu Ora - Health New Zealand Board. Investments that are between \$25 million and \$100 million, or are high risk, must be approved by the Minister of Health. Investments that are more than \$100 million, require new Crown funding (over and above existing appropriated funding), or seek to employ alternative financing and/or procurement methods must have Cabinet approval. |

New Dunedin Hospital 2021-2026 (M36) (A21)

Scope of Appropriation and Expenses

| Type, Title, Scope and Period of Appropriations | Appropriations, Adjustments and Use | \$000 |
|--|-------------------------------------|-----------|
| New Dunedin Hospital 2021-2026 (M36) (A21) This appropriation is limited to capital expenditure on the construction of the new Dunedin Hospital and associated projects. Commences: 01 November 2021 Expires: 30 June 2026 | Original Appropriation | 1,327,578 |
| | Adjustments to 2021/22 | - |
| | Adjustments for 2022/23 | 120,000 |
| | Adjusted Appropriation | 1,447,578 |
| | Actual to 2021/22 Year End | 32,421 |
| | Estimated Actual for 2022/23 | 86,311 |
| | Estimate for 2023/24 | 208,000 |
| Estimated Appropriation Remaining | 1,120,846 | |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide for capital expenditure on the construction of the New Dunedin Hospital and associated projects.

How Performance will be Assessed and End of Year Reporting Requirements

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Hospital redevelopment project meets project milestones | 90% | 90% | 90% |

The performance measure information provided support the expectations outlined in the Health Capital Settings Cabinet Paper and subsequent Letter of Expectations.

The New Dunedin Hospital measure has been included to provide a focus on ensuring the Minister's expectations that critical health infrastructure is delivered in a timely manner and to agreed milestones.

End of Year Performance Reporting

Performance information for this appropriation will be reported in Te Whatu Ora - Health New Zealand's Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Additional Funding for New Dunedin Hospital | 2023/24 | - | 8,000 | - | 2,000 | - |
| New Dunedin Hospital Cost Estimation and Value Management | 2022/23 | 110,000 | - | - | - | - |
| New Dunedin Hospital - Drawdown of Tagged Contingency Funding | 2021/22 | 150,000 | 250,000 | 250,000 | 496,030 | - |

Conditions on Use of Appropriation

| Reference | Conditions |
|---|--|
| Cabinet Office Circular CO (19) 6: Investment Management and Asset Performance in the State Services Health System: New Capital Settings [SWC-22-MIN-0063] | In Stage One of the new capital settings for the Health system, the following apply: <ul style="list-style-type: none"> Investments up to \$25 million in whole-of-life cost, and are either low or medium risk, may be approved by the Te Whatu Ora - Health New Zealand Board Investments that are between \$25 million and \$100 million, or are high risk, must be approved by the Minister of Health Investments that are more than \$100 million, require new Crown funding (over and above existing appropriated funding), or seek to employ alternative financing and/or procurement methods must have Cabinet approval |

Remediation and resolution of Holidays Act 2003 historical claims (M36) (A21)

Scope of Appropriation

This appropriation is limited to fund Te Whatu Ora (including their subsidiaries and associates) and the New Zealand Blood and Organ Service for resolution of claims from historical non-compliance with the Holidays Act 2003.

Capital Expenditure

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | - | - | 1,642,330 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide for working capital on behalf of the Crown, to fund Te Whatu Ora - Health New Zealand (including their subsidiaries and associates) and the New Zealand Blood and Organ Service to meet the costs of rectifying and remediating any liabilities associated with historical non-compliance with the Holidays Act 2003.

How Performance will be Assessed and End of Year Reporting Requirements

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|----------------------------|---------------------|---------------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Remediate all current employees for each Te Whatu Ora - Health New Zealand District, and the New Zealand Blood and Organs Service, within agreed timelines | N/A | N/A | Completed by 30 June 2024 |
| Establish a national portal to facilitate the identification and remediation of former Te Whatu Ora - Health New Zealand and New Zealand Blood and Organ Service employees, and commence the remediation payments process for former employees by 31 December 2023 | N/A | N/A | Achieved |

End of Year Performance Reporting

Performance information for this appropriation will be reported in the respective Annual Reports of Te Whatu Ora - Health New Zealand, and the New Zealand Blood and Organ Service.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Establishing Funding Baselines for Holidays Act Remediation | 2023/24 | - | 1,642,330 | 593,200 | - | - |

Reasons for Change in Appropriation

This appropriation is newly established from 1 July 2023 to fund the cost associated with the resolution of claims from historical non-compliance with the Holidays Act 2003. The \$1,642.330 million of funding in 2023/24 reflects the forecast remediation costs in that year.

Residential Care Loans - Payments (M36) (A21)*Scope of Appropriation*

This appropriation is limited to the provision of interest-free loans to people entering into aged residential care facilities.

Capital Expenditure

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 20,000 | 20,000 | 20,000 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to ensure that New Zealanders who are entering residential care facilities receive an appropriate level of financial assistance so they can afford that care.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity under s.15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for the provision of interest-free loans for people entering into aged residential care facilities.

Standby Credit to Support Health System Liquidity (M36) (A21)*Scope of Appropriation*

This appropriation is limited to the provision of a revolving standby credit facility to support Te Whatu Ora-Health New Zealand with working capital fluctuations, assist with treasury liquidity management, and maintain health system liquidity.

Capital Expenditure

| | 2022/23 | | 2023/24 |
|---------------------|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 200,000 | 200,000 | 200,000 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to improve Te Whatu Ora - Health New Zealand's ability to manage short-term working capital fluctuations and other liquidity management needs for its own operations and for those of other health sector agencies it provides treasury services to.

How Performance will be Assessed and End of Year Reporting Requirements

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Percentage of drawdowns repaid in 10 business days or less | N/A | N/A | 100% |

This measure reflects the maximum drawdown period of this new facility agreement.

End of Year Performance Reporting

End of year performance information will be reported in the Annual Report of Te Whatu Ora - Health New Zealand.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|--------------------------------------|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Te Whatu Ora Standby Credit Facility | 2022/23 | 200,000 | 200,000 | 200,000 | 200,000 | - |

Conditions on Use of Appropriation

| Reference | Conditions |
|--|--|
| Final approval of Te Whatu Ora Standby Credit Facility [HNZ00009562] | An appropriation will be required in each year of the term of the facility, and the maximum fiscal implication on net debt at any point in time would only be \$200 million. Any drawn downs need to be repaid within 10 working days. |

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Implementing the COVID-19 Vaccine Strategy (M36) (A21)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to implement the COVID-19 vaccine strategy so as to minimise the health impacts of COVID-19.

Scope of Appropriation

Non-Departmental Output Expenses

Implementing the COVID-19 Immunisation Programme

This category is limited to delivering approved vaccines through an immunisation programme as part of minimising the health impacts of COVID-19.

Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics

This category is limited to obtaining potential and proven vaccines and therapeutics as part of minimising the health impacts of COVID-19.

Expenses, Revenue and Capital Expenditure

| | 2022/23 | | 2023/24 |
|--|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 1,188,711 | 1,188,711 | 295,118 |
| Non-Departmental Output Expenses | | | |
| Implementing the COVID-19 Immunisation Programme | 301,794 | 301,794 | 129,918 |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | 886,917 | 886,917 | 165,200 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended for the purchase of potential and proven COVID-19 vaccines and other therapeutics and the delivery of COVID-19 vaccines through an immunisation programme.

How Performance will be Assessed for this Appropriation

| | 2022/23 | | 2023/24 |
|---|--|---------------------|--|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| How performance will be assessed for the MCA as a whole | | | |
| Ministerial satisfaction with the implementation of the COVID-19 vaccine strategy | Equal to or greater than 4 out of 5 | 4 out of 5 | Equal to or greater than 4 out of 5 |

What is Intended to be Achieved with each Category and How Performance will be Assessed

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Non-Departmental Output Expenses | | | |
| Implementing the COVID-19 Immunisation Programme | | | |
| This category is intended to achieve the following: To implement the Government's COVID-19 Immunisation Strategy by establishing and delivering a national immunisation programme for COVID-19 vaccines. | | | |
| Providers are enabled to deliver COVID-19 vaccinations in line with national guidance, operations policies, and service standards (see Note 1) | Achieved | Achieved | Achieved |
| Number of approved COVID-19 vaccines administered to individuals in line with the policy setting (see Note 2) | Achieved | Achieved | Achieved |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | | | |
| This category is intended to achieve the following: To implement the Government's COVID-19 Vaccine Strategy including the purchase of a portfolio of potential and proven COVID-19 vaccines and other therapeutics. | | | |
| Number of COVID-19 vaccine doses purchased by Te Pātaka Whaioranga - Pharmac and received by Te Whatu Ora - Health New Zealand in central storage facilities | Achieved | Achieved | Achieved |
| Number of COVID-19 therapeutics purchased by Te Pātaka Whaioranga - Pharmac and available for treatment of COVID-19 | N/A | N/A | Achieved |

Note 1 - The stock and distribution processes are in place but is heavily reliant on availability of vaccine stock and delivery of selected suppliers to New Zealand. This will be distributed based on the forecast demand as advised by facilities

Note 2 - New Zealand is like the rest of the world responding to the COVID-19 pandemic in an uncertain environment. Te Whatu Ora - Health New Zealand is responsible for ensuring that there is capability and capacity to deliver against the plan. This capacity and capability is heavily reliant on availability of vaccine stock and delivery of selected suppliers to New Zealand. The plan for number of doses administered will be based on forecast demand as advised by facilities.

End of Year Performance Reporting

Manatū Hauora - Ministry of Health will report on the Ministerial satisfaction measure in their Annual Report.

All Non-Departmental Expense Measures will be reported on in Te Whatu Ora - Health New Zealand's Annual Report. The only exception is the 'Number of COVID-19 therapeutics purchased by Te Pātaka Whaioranga - Pharmac and available for treatment of COVID-19' will be reported on in Te Pātaka Whaioranga - Pharmac's Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Funding for COVID-19 Therapeutics | | | | | | |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | 2022/23 | 185,250 | - | - | - | - |
| Funding for COVID-19 | | | | | | |
| Implementing the COVID-19 Immunisation Programme | 2022/23 | 109,978 | - | - | - | - |
| Purchase of Additional Antivirals, and COVID-19 Response Funding for 2023/24 | | | | | | |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | 2022/23 | 38,000 | 165,200 | - | - | - |
| Implementing the COVID-19 Immunisation Programme | 2022/23 | (149,210) | 129,918 | - | - | - |
| COVID-19 Immunisation Communications | | | | | | |
| Implementing the COVID-19 Immunisation Programme | 2022/23 | 8,000 | - | - | - | - |
| Funding the National Immunisation Programme in 2022-23 | | | | | | |
| Implementing the COVID-19 Immunisation Programme | 2021/22 | 284,349 | - | - | - | - |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | 2021/22 | 1,900 | - | - | - | - |
| Supporting the Implementation of the COVID-19 Vaccine Strategy | 2021/22 | 41,721 | - | - | - | - |
| Purchase of Additional COVID-19 Vaccines from mRNA Vaccine Suppliers | | | | | | |
| Purchasing Potential and Proven COVID-19 Vaccines and Other Therapeutics | 2021/22 | 189,215 | - | - | - | - |

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is due to:

- \$479.508 million carried forward from 2021/22 to 2022/23 only to continue the COVID-19 vaccination rollout and to purchase COVID-19 vaccines and therapeutics
- \$327.970 million for the net impact of the uplift in 2022/23 reflecting new funding and funding carried forward from 2021/22 to 2022/23 only to meet the costs of the National Immunisation Programme
- \$189.215 million of additional funding in 2022/23 only for the purchase of mRNA COVID-19 vaccines
- \$185.250 million of additional funding in 2022/23 only for Te Pātaka Whaioranga - Pharmac to secure a portfolio of COVID-19 therapeutics
- \$109.978 million of additional funding in 2022/23 only to provide for the COVID-19 response for the period January to June 2023, and
- \$8 million of additional funding in 2022/23 only to meet the costs of the COVID-19 vaccine communications campaign to September 2022.

This decrease was partially offset by:

- \$406.328 million for the net impact of the uplift in 2023/24 to meet the costs of the COVID-19 Immunisation Programme and the purchase of additional vaccine doses and antiviral treatments, reflecting a partial carry forward of the underspend in the COVID-19 Immunisation Programme from 2022/23 to 2023/24 and reprioritising the remaining underspend to meet costs in 2022/23.

Stewardship of the New Zealand health system (M36) (A21)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to enable the Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.

Scope of Appropriation

Departmental Output Expenses

Equity, Evidence and Outcomes

This category is limited to health science research, leadership, analysis and publishing quality evidence, data and insights.

Policy Advice and Related Services

This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities relating to health.

Public health and population health leadership

This category is limited to providing leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring related to public and population health.

Regulatory and Enforcement Services

This category is limited to implementing, enforcing and administering health-related legislation and regulations, and provision of regulatory advice to the sector and to Ministers, and support services for committees appointed by the Minister under statute.

Sector Performance and Monitoring

This category is limited to advising and providing assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities.

Expenses, Revenue and Capital Expenditure

| | 2022/23 | | 2023/24 |
|---|-------------------------|---------------------------|-----------------|
| | Final Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 252,776 | 252,302 | 237,759 |
| Departmental Output Expenses | | | |
| Equity, Evidence and Outcomes | 16,314 | 16,314 | 15,563 |
| Policy Advice and Related Services | 37,218 | 37,218 | 31,630 |
| Public health and population health leadership | 100,130 | 99,856 | 107,224 |
| Regulatory and Enforcement Services | 61,885 | 61,885 | 55,088 |
| Sector Performance and Monitoring | 37,229 | 37,029 | 28,254 |
| Funding for Departmental Output Expenses | | | |
| Revenue from the Crown | 230,017 | 230,017 | 219,534 |
| Equity, Evidence and Outcomes | 16,314 | 16,314 | 15,563 |
| Policy Advice and Related Services | 37,218 | 37,218 | 31,630 |
| Public health and population health leadership | 94,910 | 94,910 | 106,538 |
| Regulatory and Enforcement Services | 44,346 | 44,346 | 37,549 |
| Sector Performance and Monitoring | 37,229 | 37,229 | 28,254 |
| Revenue from Others | 22,759 | 22,759 | 18,225 |
| Public health and population health leadership | 5,220 | 5,220 | 686 |
| Regulatory and Enforcement Services | 17,539 | 17,539 | 17,539 |

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable Manatū Hauora - Ministry of Health to discharge its role as the chief steward of New Zealand's health system and principal advisor to the Minister of Health.

How Performance will be Assessed for this Appropriation

| | 2022/23 | | 2023/24 |
|--|--|---------------------|--|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Assessment of Performance | | | |
| Ministerial Advisory Committee (MAC) assessment of Manatū Hauora - Ministry of Health's progress in establishing its role in the reformed system | Equal to or greater than 4 out of 5 | N/A | Equal to or greater than 4 out of 5 |
| Ministerial satisfaction with how the Ministry has discharged its role as chief steward of New Zealand's health system and principal advisor to the Minister of Health | Equal to or greater than 4 out of 5 | N/A | Equal to or greater than 4 out of 5 |

The Ministerial Advisory Committee performance measure has been included as it reflects the commitment in the 2022-26 Strategic Intentions that describes the need for an assessment of Manatū Hauora - Ministry of Health's progress in establishing its role in the reformed system.

The estimated actual data for these measures is unavailable due to them being measured once a year in June and July. This is the first year these measures are being reported against so there is no baseline for an estimated actual to be provided.

What is Intended to be Achieved with each Category and How Performance will be Assessed

| Assessment of Performance | 2022/23 | | 2023/24 |
|---|-------------------------------------|------------------|-------------------------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Departmental Output Expenses | | | |
| Equity, Evidence and Outcomes | | | |
| This category is intended to the provision of health science research, equity, leadership, analysis, publishing quality evidence, data and insights. | | | |
| Establish with Te Aka Whai Ora - Māori Health Authority and Te Whatu Ora - Health New Zealand cross-agency leadership, governance and a shared work programme for health research system strategic initiatives by December 2023 | N/A | N/A | Achieved |
| Complete scoping and commence baseline research on the Smokefree Aotearoa 2025 action plan by January 2024 | N/A | N/A | Achieved |
| Health and Independence Report is published annually | Achieved | Achieved | Achieved |
| Health Survey release is published no later than 1 December | Achieved | Achieved | Achieved |
| Number of page views of the Health Survey web pages | Year on year increase | Achieved | Year on year increase |
| Health Survey release is free from significant errors | Achieved | Achieved | Achieved |
| Policy Advice and Related Services | | | |
| This category is intended to ensure that Ministers are supported and advised so they can discharge their policy decision-making and other portfolio responsibilities relating to health. | | | |
| Percentage of Ministerial letter response provided to the Minister within agreed timeframes (see Note 1) | 95% | 98.51% | 95% |
| Percentage of Written Parliamentary Question responses provided to the Minister within agreed timeframes (see Note 1) | 95% | 100% | 95% |
| Percentage of Ministerial Official Information Act request responses provided to the Minister within agreed timeframes (see Note 1) | 95% | 97.57% | 95% |
| Percentage of Ministerial Letter responses provided to the Minister that required no [substantive] amendments (see Note 1) | 95% | 99.70% | 95% |
| Percentage of Written Parliamentary Question responses provided to the Minister that required no [substantive] amendments (see Note 1) | 95% | 100% | 95% |
| Percentage of Ministerial Official Information Act request responses provided to the Minister that required no [substantive] amendments (see Note 1) | 95% | 100% | 95% |
| Ministerial satisfaction with the policy advice service | Equal to or greater than 4 out of 5 | 4.27 | Equal to or greater than 4 out of 5 |
| Average score attained from a sample of the Ministry's written policy advice as assessed using the agreed DPMC Framework | Greater than 3.2 out of 5 | 3.62 | Greater than 3.2 out of 5 |
| Quality of policy advice papers - 85% score 3 or higher and 25% score 4 or higher | Achieved | N/A | Achieved |

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|-------------------------------------|------------------|-------------------------------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Public health and population health leadership | | | |
| This category is intended to provide leadership on public health and population health policy, strategy, regulatory, intelligence, surveillance and monitoring. | | | |
| Ministerial satisfaction with how the Ministry provided leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring of public and population health | Equal to or greater than 4 out of 5 | N/A | Equal to or greater than 4 out of 5 |
| Establish a Pacific Health Chart Book work programme of health outcomes and system performance for Pacific peoples by 30 June 2024 | N/A | N/A | Achieved |
| Annual work programme is developed and agreed with the public health advisory committee chair, Public Health Agency in Manatū Hauora - Ministry of Health and the Minister. All reports are delivered on time | Achieved | Achieved | Achieved |
| Set the foundations for an effective Intelligence, Surveillance and Knowledge system by: establishing the Public Health Knowledge and Surveillance System (PHKSS) programme alongside Te Aka Whai Ora - Māori Health Authority; and developing frameworks and systems to ensure that Aotearoa's public health system is well supported with evidence, data, and insights | N/A | N/A | Achieved |
| Set up the Public Health Knowledge and Surveillance System to consistently collect and disaggregate Māori data that demonstrates how public health programmes and activities impact on public health outcomes for Māori by 30 June 2024 | N/A | N/A | Achieved |
| Regulatory and Enforcement Services | | | |
| This category is intended to ensure that health and disability services are regulated so that appropriate standards are followed. | | | |
| The percentage of high priority incident notifications relating to medicines and medical devices that undergo an initial evaluation within 5 working days | 90% | 100% | 90% |
| The percentage of all certificates issued to providers under the Health and Disability Services (Safety) Act 2001 within target timeframes | 90% | 89% | 90% |
| Percentage of licences and authorities issued under the Medicines Act 1981 and Misuse of Drugs Act 1975 within target timeframes | 90% | 92% | 90% |
| The percentage of all licences and consents issued to radiation users under the Radiation Safety Act 2016 within 10 working days of accepting the application | 90% | 98% | 90% |
| The percentage of all New Medicines Applications (for ministerial consent to market) that receive an initial assessment within 200 days | 80% | 84% | 80% |
| The percentage of all Changed Medicines Notifications (for ministerial consent to market) responded to within 45 days | 100% | 99% | 100% |
| Mean rating for statutory committee satisfaction with secretariat services provided by the Ministry | 4 out of 5 or greater | 4.6 | 4 out of 5 or greater |
| The percentage of District Mental Health Inspectors' monthly reports, on their duties undertaken, sent to the Director of Mental Health, within one month after completion | 90% | 83.13% | 90% |
| The start of the Mental Health Tribunal reviews are held within 28 days of receipt of the applications | 80% | 99% | 80% |

| Assessment of Performance | 2022/23 | | 2023/24 |
|--|-------------------------|------------------|-----------------|
| | Final Budgeted Standard | Estimated Actual | Budget Standard |
| Sector Performance and Monitoring | | | |
| This category is intended to advise and provide assurance on health sector planning and system performance, including the Government Policy Statement and the New Zealand Health Plan; and monitoring and supporting the governance of health sector Crown entities. | | | |
| The percentage of quarterly monitoring reports about Crown entities (includes Te Aka Whai Ora - Māori Health Authority and Te Whatu Ora - Health New Zealand) provided to the Minister within agreed timeframes | 100% | 100% | 100% |
| The percentage of appointments to other health Crown entity boards (includes Te Aka Whai Ora - Māori Health Authority and Te Whatu Ora - Health New Zealand) where advice is presented to the Minister prior to the current appointee's term expiring (see Note 2) | 95% | 100% | 95% |

Note 1 - Limited to Manatū Hauora - Ministry of Health developed responses only.

Note 2 - Unexpected resignation or departure prior to the expiration of the term is not included.

The estimated actual data for the 'Quality of policy advice papers - 85% score 3 or higher and 25% score 4 or higher' and 'Ministerial satisfaction with how the Ministry provided leadership on policy, strategy, regulatory, intelligence, surveillance and monitoring of public and population health' measures is unavailable due to them being measured once a year in June and July. This is the first year these measures are being reported against so there is no baseline for an estimated actual to be provided.

End of Year Performance Reporting

Manatū Hauora - Ministry of Health will report performance information for this appropriation in its Annual Report.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Supporting the establishment of the National Public Health Service and Public Health Agency - Drawdown of Tagged Contingency | | | | | | |
| Public health and population health leadership | 2022/23 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Smokefree Aotearoa 2025 Action Plan - Remaining Implementation Funding - Drawdown of Tagged contingency | | | | | | |
| Public health and population health leadership | 2022/23 | 1,533 | 9,211 | 5,518 | 4,765 | 4,765 |
| End of Life Choice Act - Additional Drawdown of Tagged Contingency Related to Assisted Dying Services | | | | | | |
| Regulatory and Enforcement Services | 2024/25 | - | - | 2,555 | 2,555 | 2,555 |

| Policy Initiative | Year of First Impact | 2022/23 Final Budgeted \$000 | 2023/24 Budget \$000 | 2024/25 Estimated \$000 | 2025/26 Estimated \$000 | 2026/27 Estimated \$000 |
|---|----------------------|------------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| New Zealand's Future Quarantine and Isolation Capability | | | | | | |
| Public health and population health leadership | 2023/24 | - | 356 | 356 | - | - |
| Ministerial Advisory Committee for Health Reform Implementation - Funding Transfer for 2023/24 from Department of the Prime Minister and Cabinet | | | | | | |
| Regulatory and Enforcement Services | 2023/24 | - | 900 | - | - | - |
| Ministry ICT and Data & Digital Contracts and Funding Transfer | | | | | | |
| Regulatory and Enforcement Services | 2022/23 | (5,283) | (7,343) | (7,343) | (7,343) | (7,343) |
| Policy Advice and Related Services | 2022/23 | (4,305) | (5,985) | (5,985) | (5,985) | (5,985) |
| Public health and population health leadership | 2022/23 | (4,090) | (5,686) | (5,686) | (5,686) | (5,686) |
| Sector Performance and Monitoring | 2022/23 | (1,391) | (1,934) | (1,934) | (1,934) | (1,934) |
| Equity, Evidence and Outcomes | 2022/23 | (1,490) | (2,072) | (2,072) | (2,072) | (2,072) |
| Smokefree Aotearoa 2025 Action Plan - Initial Implementation Support Funding | | | | | | |
| Regulatory and Enforcement Services | 2022/23 | 3,000 | - | - | - | - |
| Public health and population health leadership | 2022/23 | 500 | 500 | 500 | 500 | 500 |
| Funding the Health System Response to COVID-19 to December 2022 | | | | | | |
| Policy Advice and Related Services | 2022/23 | 3,011 | - | - | - | - |

Reasons for Change in Appropriation

The decrease in this appropriation for 2023/24 is mainly due to:

- \$9.393 million for the net impact of baseline transfers from the previous appropriation structure to reflect the new structure of the Vote Health appropriations to support the health reforms
- \$6.461 million for the net impact of a fiscally neutral transfer to the non-departmental output expense appropriations Delivering Primary, Community, Public and Population Health Services and Delivering Hospital and Specialist Services to reflect the residual transfer of personnel, leased assets and ongoing commitments between agencies for residual IT related projects and programmes as a result of the health reforms
- \$3.500 million carried forward from 2021/22 to 2022/23 only to meet the costs of improvement work and ensure the sustainability of the services in the health sector
- \$3.106 million in 2022/23 only for a fiscally neutral transfer to reflect the expected increase in costs and the corresponding revenue relating to the Polynesian Health Corridors programme
- \$3.011 million of additional funding in 2022/23 only to support the on-going health system response to COVID-19
- \$3 million in 2022/23 only for the Budget 2022 initiative Smokefree Aotearoa 2025 Action Plan - Initial Implementation Support Funding for the establishment of a tobacco products regulator

- \$2 million carried forward from 2021/22 to 2022/23 only to support the residual work in finalising function transfers as part of the health reforms
- \$1.302 million carried forward from 2021/22 to 2022/23 only to continue delivering various technology projects that utilise Software as a Service (SaaS) arrangements, reflecting the rephasing of the programme, and
- \$1 million carried forward from 2021/22 to 2022/23 only to transition and integrate functions previously in DHBs into Te Whatu Ora - Health New Zealand and Te Aka Whai Ora - Māori Health Authority.

This decrease was partially offset by:

- \$9 million for the net impact of a transfer to 2023/24 for the implementation of the fluoridation subsidy scheme, reflecting the rephasing of the programme
- \$7.678 million of additional funding for the implementation and ongoing operation of the tobacco products regulator, the Smokefree Aotearoa 2025 Action Plan, and compliance and enforcement activities under the Smokefree Environments and Regulated Products Act 1990, and
- \$3.059 million for the net impact of fiscally neutral transfers between various other appropriations to reflect the funding and function transfers for the health reforms.

Conditions on Use of Appropriation

| Reference | Conditions |
|---|--|
| 2019 Budget: Vote Health [CAB-19-MIN-0174.19] | All expenditure from the funding ring-fenced for improving the financial sustainability and performance of the sector in the Sector Performance and Monitoring category of this multi-category appropriation (\$21.181 million in 2023/24) requires the joint agreement of the Minister of Health and the Minister of Finance. |

Memorandum Account

| | 2022/23 | | 2023/24 |
|-----------------------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Medicinal Cannabis | | | |
| Opening Balance at 1 July | (704) | (704) | (1,059) |
| Revenue | 1,061 | 534 | 1,061 |
| Expenses | 1,061 | 889 | 1,061 |
| Closing Balance at 30 June | (704) | (1,059) | (1,059) |

| | 2022/23 | | 2023/24 |
|-----------------------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| MedSafe | | | |
| Opening Balance at 1 July | (3,029) | (3,029) | (2,976) |
| Revenue | 10,891 | 10,181 | 10,891 |
| Expenses | 10,891 | 10,128 | 10,891 |
| Closing Balance at 30 June | (3,029) | (2,976) | (2,976) |

| | 2022/23 | | 2023/24 |
|-----------------------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Office of Radiation Safety | | | |
| Opening Balance at 1 July | (2,151) | (2,151) | (3,095) |
| Revenue | 2,500 | 937 | 2,500 |
| Expenses | 2,500 | 1,881 | 2,500 |
| Closing Balance at 30 June | (2,151) | (3,095) | (3,095) |

| | 2022/23 | | 2023/24 |
|--|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Providing the functions as the Vaping Regulator | | | |
| Opening Balance at 1 July | (748) | (748) | (298) |
| Revenue | 1,250 | 1,250 | 1,250 |
| Expenses | 1,250 | 800 | 1,250 |
| Closing Balance at 30 June | (748) | (298) | (298) |