

# FACT SHEET

## ***NATIONAL HEALTH FUNDING ADMINISTRATION BILL 2012***

The *National Health Funding Administration Bill 2012* (the Bill) establishes the mechanisms for the flow and administration of public health funding from 1 July 2012, as required under the National Health Reform Agreement (NHRA).

The main features of the Bill are:

- The establishment of the office of the Administrator of the National Health Funding Pool, including the functions of the Administrator and the appointment, suspension or removal the Administrator (part 2 of Bill).
- The establishment of State Pool Accounts, including provisions governing payments into and out of the State Pool Account, the establishment of a State managed fund and the distribution of Commonwealth funds (part 3 of Bill).
- The financial management and reporting obligations of the Administrator, including reporting arrangements, auditing requirements and provision of information generally (part 4 of Bill).

The Bill also contains miscellaneous provisions to disapply certain State legislation and apply certain Commonwealth legislation for the purposes of this Bill. These provisions are necessary to ensure a nationally consistent basis for the Administrator to exercise his or her functions.

The Bill will ensure improved transparency of Commonwealth and State public health funding by enabling complete transparency and line-of-sight of contributions into and out of Pool accounts and of the basis on which the contributions are calculated. The financial reports required under this Bill will be made publicly available.

The Bill is predominantly mechanical, in that it will prescribe the role and functions of the Administrator and direct the nature of the relationship between the Administrator and the State. In this respect, the Administrator may only pay funds out of the State Pool Account at the direction of the State Health Minister (or her delegate) and in accordance with the service agreements to be agreed between the Minister and the Tasmanian Health Organisations.

The Bill has been developed through collaboration with an inter-jurisdictional working group, which developed a set of common provisions to enact the funding requirements of the NHRA. Similar legislation to this Bill is being introduced in all states and territories and by the Commonwealth.

The funding flows being established by this Bill are shown at Attachment I.