

SUBJECT AREA	COMMONWEALTH	NSW GOVERNMENT	NSW HEALTH	LHD / NETWORK
<p>Funding and Financial Management</p>	<p>National Funding Framework</p> <ul style="list-style-type: none"> National Health Reform Agreement (NHRA) establishes rules for ABF funding Conditions imposed on Commonwealth grants <p>Medicare Requirements</p> <ul style="list-style-type: none"> Billing systems and Service agreements with private providers ensure that all Medicare benefit services billed by the LHD as agent for, or under arrangements with, health professionals comply with the Health Insurance Act 	<p>Central Agency role</p> <ul style="list-style-type: none"> Treasury leads whole of government initiatives on financial and economic management policy, management information systems, compliance and budget allocations <p>State Funding Framework</p> <ul style="list-style-type: none"> Health budget allocated from the Consolidated Fund State budget efficiency measures and targets Minister and Director-General accountable for budget performance of Health portfolio. Monthly reporting to NSW Treasury Quarterly reporting to Expenditure Review Committee of Cabinet. <p>Treasury Whole of Government Requirements</p> <ul style="list-style-type: none"> Requirements for internal and external audit (Public Finance and Audit Act) Treasury Directions, accounting, banking and funds management requirements set out in Treasury Policies and Circulars (Public Finance and Audit Act) State Agencies cannot borrow, go into overdraft or make loans Innovative service models and arrangements with private sector must comply with NSW Treasury PPP policy. State Agencies cannot enter into joint ventures or other arrangements with private sector entities involving provision of financial accommodation or assumption of financial risk without MOH and Treasury approval (Public Authorities (Financial Arrangements) Act). <p>Office of Fiscal Effectiveness</p> <p>Receive reports and monitors:</p> <ul style="list-style-type: none"> Efficiency Plans Labour Expense Cap achievement Program Savings achievement 	<p>NSW Health Statutory Funding Framework</p> <ul style="list-style-type: none"> Budgets allocation to Ministry, LHDs, Specialty networks and Pillars approved by the Minister on recommendation of the Director General. <p>Conditions of subsidy</p> <ul style="list-style-type: none"> Conditions of Subsidy determined by Minister , (including Accounts and Audit Determination) covering accounting standards & procedures, requirements for two bank accounts (general fund and special purpose and trust fund), mental health budget to be used for mental health services, operating and capital expenditure separated and approval of MOH required to transfer between these. <p>Fees charged</p> <ul style="list-style-type: none"> Fees for most chargeable services set by Minister under the Health Services Act. <p>Accountability</p> <p>In accordance with Public Finance and Audit Act:</p> <ul style="list-style-type: none"> Ministry accountable to Government through ERC for budget performance of public health system <p>Reporting</p> <ul style="list-style-type: none"> Responsible for statutory reporting of consolidated accounts on behalf of NSW Health Ministry required to report on behalf of the NSW public health system in accordance with requirements of the Expenditure Review Committee (ERC), Office of Fiscal Effectiveness (OFE) and other requirements as set out in Budget Control Circulars. 	<p>Operating Framework</p> <ul style="list-style-type: none"> Determines allocation of budget across all line items (within general budget specifications set at portfolio and State level) Manages operational budget including taxation obligations (GST, withholding tax, PAYE and other tax requirements) <p>Accountability</p> <ul style="list-style-type: none"> accountable to Director General for budget performance <p>Finance and Budget Reporting</p> <ul style="list-style-type: none"> Required to report on LHD/Network level in respect of requirements set by ERC, OFE Budget Control Circulars and NSW Health policy.