



**THE HON NICOLA ROXON MP
MINISTER FOR HEALTH AND AGEING**

Mr Geoff Lake
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

ALGA MAIL
ITEM No: 204
DATE RECEIVED: 27.10.09
FILE No:

Dear Mr Lake

Thank you for your letter of 18 September 2009 regarding resolutions from the 2009 National General Assembly of Local Government.

The Commonwealth Government provides funds to each State and Territory Government to assist with the cost of providing public hospital services. You may be aware that at the Council of Australian Governments' (COAG) meeting in November 2008, the Commonwealth agreed to provide \$64 billion over five years to the States and Territories for State and Territory health systems and national partnerships. This is an increase of \$22 billion, or more than 50 per cent, over the last Healthcare Agreements under the previous government.

Community care initiatives are a key element of the Rudd Government's aged care policy. Over the next four years, the Government will provide more than \$44 billion in funding to aged and community care services, more than \$2.5 billion above the previous projections. In 2009-10, the Rudd Government will provide almost \$1.2 billion for the Home and Community Care Program, an increase of 8.3 per cent over last year.

The Government is committed to long-term reform to achieve improved, equitable and lasting health care benefits for all Australians. As part of this commitment, the Government established the National Health and Hospitals Reform Commission to develop a comprehensive view and options about a long-term health reform plan for a modern Australia. This report was released in July 2009.

The Commission's report contains 123 recommendations for the long-term sustainable reform of Australia's health system. It includes detailed recommendations for improving aged care services and health services in rural and remote communities. The Government is currently road-testing and consulting the community on the recommendations. The Government welcomes all views on reforming the health system. The *YourHealth* website – www.yourhealth.gov.au – allows Australians to provide their views to the Government about options to improve the health system.

The Government is committed to taking action to improve Australia's health system. At the end of the year, the Government will convene a special COAG meeting with the States and Territories, explicitly on health and hospitals reform. This will be followed by a further COAG meeting in early 2010, where the Commonwealth will discuss governance and workforce with the States and Territories for a comprehensive national reform plan. If there is no agreement to this plan, the Commonwealth will seek a mandate from the Australian people for the proper reform of our health system.

I appreciate your concern for the health and wellbeing of your community.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nicola', with a long horizontal stroke extending to the right.

NICOLA ROXON

23 OCT 2009