

Tuesday, 6 May 2008



For immediate release

Budget dollars for information technology in health welcome, VHA says

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A multimillion dollar funding boost to meet the rising cost of implementing modern information technology will help to ease budgetary pressures on Victoria's public health services.

The Victorian Healthcare Association (VHA) chief executive Trevor Carr said the \$104 million funding for the HealthSMART program should alleviate budget stress on health services.

Currently, the State Government encourages public healthcare agencies to participate in its HealthSMART program that aims to replace obsolete products with modern and integrated IT systems.

Mr Carr said consistent state-wide data management will aid the ability of health services to plan for the future healthcare needs both at the community and state level.

The program was the subject of a recent Victorian auditor-general's report – Delivering HealthSMART – that found DHS' \$323 million budget and assumptions of health agency co-funding was "unrealistic".

"Health services have reported mounting budgetary pressures due to the implementation of modern IT systems and VHA has been lobbying DHS on this issue for some time," Mr Carr said.

"For some smaller health services, such as Casterton Memorial Hospital and Bass Coast Community Health Service, IT costs have doubled in recent years and now eat into a substantial proportion of their operating budgets."

"VHA welcomes any new investment in IT and hopes that the distribution of such funds will be applied in such a way that smaller agencies such as Casterton Memorial Hospital and Bass Coast Community Health Service will have sharply rising IT costs ameliorated."

With health systems working across the same IT systems, an individual patient's journey should be both coordinated and seamless facilitating better patient outcomes, Mr Carr said.

Victoria's community health sector welcomed funding for IT as "long overdue" as it struggles to cover the costs of implementing its system of client management – TrackHealth – that is part of the HealthSMART program.

Inner South Community Health Service chief executive Robbi Chaplin said her organisation's budget was under severe strain as a result of IT costs and future health programmes were threatened as a result.

"The community health sector recognises the value of implementing HealthSMART but the costs of doing so must be sustainable," Ms Chaplin said.

The community health sector hopes the \$104 million announced in yesterday's budget will ensure implementation of the HealthSMART system is a cost-neutral exercise, she said.

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VHA is the peak advocacy body representing public healthcare interests in Victoria. Its members include public hospitals, rural and regional health services, community health services and aged care facilities.

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