

Request for Costing an Election Commitment

Name of proposal:	Osteoarthritis Hip & Knee Program
Person requesting costing:	Alistair Coe MLA
Date of request:	30 September 2020
Summary of proposal:	A Canberra Liberals Government will implement an osteoarthritis program to support patients on the elective surgery waiting list for hip or knee replacements.
Issue the proposal will address:	Better care pre-operation for a quicker post-operation recovery, and potentially diverting some patients from the waiting list

What are the key assumptions that have been made in the proposal?

Note: The costing will be developed on the basis of information and assumptions provided in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

This will be a three-year trial program adopting the NSW Osteoarthritis Chronic Care Program's model of care. The program provides non-surgical treatment to those on the waiting list for hip or knee replacements, such as exercise, weight and physiotherapy services.

The funding for the program will be capped. The ACT Government would partner with a community organisation to pilot the program.

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2020-21	2021-22	2022-23	2023-24	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue^(a)					
Expenses^(a)		-165	-165	-165	-495
Capital					
Depreciation					

(a) A negative number indicates a decrease in revenue or an increase in expenses. The expenses row does not include depreciation costs.

Has any specific information or data been utilised in generating the proposal?

Yes, the 2020-21 ACT Budget [submission](#) from Arthritis ACT

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Capped

Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?
Yes – a community organisation will receive funding to implement the program.
Will funding/the cost require indexation?
No
Who will administer the proposal?
The ACT Health Directorate/Canberra Health Services will administer the funding to the community organisation.
How will the proposal be administered?
Through the ACT Health Directorate/Canberra Health Services.
Is the proposal part of a broader package?
Yes – the Canberra Liberals’ plan for Better Access to Healthcare
Has an allowance been made for expenses necessary to support the implementation of this proposal? <ul style="list-style-type: none"> – If no, will the government agency be expected to absorb expenses associated with this proposal? – If yes, please specify the key assumptions.
The ACT Health Directorate/Canberra Health Services will administer the funding for this program from existing resources.
Will the proposal generate savings or offsets?
A recent review of the NSW program found that of the participants, 4.2% no longer needed their hip replaced, and 10.7% no longer needed their knee replaced. Similar results would save the health system thousands of dollars. These potential saving have not been factored into the costings.
Has the proposal been previously costed by an external (third) party? Will a copy of this material, including any assumptions, be made available to Treasury?
No
What are the community impacts associated with the proposal? Who and how many people will be affected?
Those on the waiting lists for hip or knee replacements will benefit from better pre-

operation care and a smoother post-operation recovery.

Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?

No

What is the intended implementation date of the proposal?

1 July 2021

When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.

1 July 2021

Will the proposal cease, and if so, when?

30 June 2024

Is there any additional information relevant to this proposal?

No