



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Coalition
Date Referred: 13/03/2019

Proposal No: Y093
Date Published: 18/03/2019

Proposal Title: More Care for Kids with Allergies

Cluster: Health

General Government Sector Impacts

| | 2018-19 \$'000 | 2019-20 \$'000 | 2020-21 \$'000 | 2021-22 \$'000 | 4 year Total \$'000 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
| Expenses (ex. depreciation) | - | 333 | 256 | 262 | 851 |
| Depreciation | - | 30 | 30 | 30 | 90 |
| Less: Offsets | - | - | - | - | - |
| Revenue | - | - | - | - | - |
| Net Operating Balance: | - | (363) | (286) | (292) | (941) |

| | | | | | |
|---------------------------------|---|------------|---|---|------------|
| Capital Expenditure | - | 600 | - | - | 600 |
| Capital Offsets | - | - | - | - | - |
| Net Capital Expenditure: | - | 600 | - | - | 600 |

| | | | | | |
|---------------------------------|---|--------------|--------------|--------------|----------------|
| Net Lending/(Borrowing): | - | (933) | (256) | (262) | (1,451) |
|---------------------------------|---|--------------|--------------|--------------|----------------|

Total State Sector Impacts

| | | | | | |
|---------------------------------|---|--------------|--------------|--------------|----------------|
| Net Lending/(Borrowing): | - | (933) | (256) | (262) | (1,451) |
|---------------------------------|---|--------------|--------------|--------------|----------------|

Notes and costing assumptions

This policy proposes to allocate up to \$1.7 million (from 2019-20 to 2022-23) for improving facilities and services for children suffering from allergies. The policy is ongoing.

The policy includes \$1.1 million (from 2019-20 to 2022-23) for increasing the number of allergy tests, and other services, to help reduce the waiting time. The funding profile reflects the proposals' intention to increase servicing in 2019-20 to reduce the backlog of patients awaiting allergy testing. Allergy testing costs, excluding funding for nurses, are estimated at \$250,000 per annum in 2019-20 dollars, escalating based on the Consumer Price Index (CPI). The amounts, inclusive of CPI increases, are capped allocations.

The policy also includes \$600,000 in capital funding in 2019-20 to refresh outpatient paediatric allergy clinics across the state to accommodate additional patients and make the experience for children and their families.

Based on NSW Health accounting policies, the upgraded clinics are assumed to be depreciated over 20 years, on a straight line basis. Depreciation costs would be calculated upon project completion and amount to \$30,000 per annum.

Funding for the additional nurses is excluded from this costing, as it will be delivered under a separate *5,000 Nurses and Midwives* policy.