

# 2023-24 FEDERAL BUDGET SUMMARY

**FOR MEDICAL  
PROFESSIONALS**

# TOP 15 BUDGET MEASURES FOR MEDICAL PROFESSIONALS

## 1. STRENGTHENING MEDICARE

The Government will provide \$5.7 billion over five years from 2022–23 as an initial investment to provide better access and more affordable care for patients in response to the Strengthening Medicare Taskforce Report. This investment will improve the quality and accessibility of multidisciplinary primary care, modernise Australia's digital health infrastructure, improve the financial sustainability of general practices, grow and upskill Australia's health workforce, and ease the pressure on hospitals.

Funding to support greater access to primary care services includes:

- \$3.5 billion over 5 years from 2022–23 to address the decline in general practitioners' bulk billing of patients on low incomes, and children. This funding will triple the bulk billing incentive benefits for consultations for Commonwealth concession card holders, pensioners and patients aged under 16 years of age. These increased incentives would apply to:
  - all face to face general practice consultations more than six minutes in length
  - all telehealth general practice services which are between six and 20 minutes in length (Level B consultations)
  - longer telehealth general practice consultations where a patient is registered with their GP through MyMedicare
- \$445.1 million over five years from 2022–23 to increase funding for the Workforce Incentive Program–Practice Stream, to both increase the maximum incentive payment to \$130,000 per practice, per annum and make more general practices eligible for the maximum payment. This funding will support practices to expand multidisciplinary teams and employ more nurses, allied health and other health professionals in practices

## 2. A MODERN AND CLINICALLY APPROPRIATE MEDICARE BENEFITS SCHEDULE

The Government will provide \$137.2 million over five years from 2022–23 to ensure better targeted and more effective health care, and provide certainty that the Medicare Benefits Schedule (MBS) remains clinically appropriate including \$125.6 million over five years from 2022–23 to improve access to primary health care services and improve clinical practice through amendments to the MBS.

## 3. AGED CARE REGULATORY REFORM

The Government will provide additional funding of \$309.9 million over five years from 2022–23 to implement the recommendations from the Royal Commission into Aged Care Quality and Safety and other initiatives to strengthen the regulation of the aged care sector and improve the health and safety of older Australians receiving aged care.

Funding includes:

- \$139.9 million over four years from 2023–24 to improve the accountability and transparency of approved aged care providers through enhancements to the Star Rating system
- \$72.3 million in 2023–24 to support the development and implementation of a new, stronger Aged Care Regulatory Framework to support the new Age Care Act which is due to commence from 1 July 2024

## 4. FUNDING PAY INCREASES FOR AGED CARE WORKERS

The Government will provide \$515.0 million over five years from 2022–23 (and \$956.9 million over 10 years from 2022–23) to fund the outcome of the Fair Work Commission's decision on the Aged Care Work Value Case. The decision was to increase award wages by 15 per cent from 30 June 2023 for many aged care workers including registered nurses, enrolled nurses, assistants in nursing, personal care workers, home care workers, recreational activity officers, and some head chefs and cooks.

Funding includes \$311.2 million for a new grant program for Commonwealth Home Support Programme providers to cover the cost of the increase in award wages.

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## 5. COVID-19 AGED CARE RESPONSE

The Government will provide additional funding of \$591.3 million over two years from 2022–23 to continue the Government's response to COVID-19 in aged care.

Funding includes:

- \$536.6 million over two years from 2022–23 to reimburse aged care providers for additional costs incurred due to COVID-19 outbreaks that occur on or before 31 December 2023
- \$41.3 million over two years from 2022–23 to extend access to in reach PCR testing in residential aged care homes to 31 December 2023

## 6. COVID-19 RESPONSE

The Government will provide additional funding over five years from 2022–23 to expand the COVID-19 vaccine strategy and provide Australians with COVID-19 treatments.

Funding includes:

- \$757.4 million over two years from 2022–23 to ensure access to a range of vaccine administration channels, including community pharmacies, Primary Health Networks and the Vaccine Administration Partnership Program
- \$285.5 million over two years from 2022–23 to protect priority groups from COVID-19, by providing states and territories 50 per cent of the cost for Polymerase Chain Reaction (PCR) testing and agreed price per COVID-19 vaccination dose delivered for Australians most at risk of severe COVID-19 and death
- \$250.5 million over two years from 2022–23 to extend Medicare Benefits Schedule (MBS) items for PCR pathology testing for COVID-19 and other respiratory pathogens to 31 December 2023
- \$160.2 million over two years from 2022–23 for additional COVID-19 vaccine procurement and logistic arrangements, and to extend the Essential Vaccines Schedule

## 7. IMPLEMENTING AGED CARE REFORM – HOME CARE

The Government will provide additional funding of \$338.7 million over four years from 2023–24 to improve the in home aged care system.

Funding includes:

- \$166.8 million in 2023–24 to release an additional 9,500 Home Care Packages
- \$73.1 million in 2023–24 for the design, build, implementation and sustainment of the ICT changes necessary to enable the new Support at Home Program

The Government will postpone the commencement of the Support at Home Program to 1 July 2025 in response to sector feedback that a longer lead time is needed and extend grant arrangements for the Commonwealth Home Support Programme for a further 12 months to 30 June 2025.

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## 8. IMPROVING AGED CARE SUPPORT

The Government will provide \$827.2 million over five years from 2022–23 to continue to improve the delivery of aged care services and respond to the Final Report of the Royal Commission into Aged Care Quality and Safety.

Funding includes:

- \$487.0 million over four years from 2023–24 (and \$133.6 million ongoing) to extend, and make ongoing, the Disability Support for Older Australians Program
- \$112.0 million over four years from 2023–24 to introduce a new General Practice in Aged Care incentive payment to improve general practitioner attendance and continuity of care in residential aged care homes, and to reduce avoidable hospitalisations

## 9. SMALL BUSINESS DEPRECIATION — INSTANT ASSET WRITE-OFF THRESHOLD OF \$20,000 FOR 2023–24

The instant asset write-off threshold for medicos that are small businesses applying the simplified depreciation rules will be \$20,000 for the 2023–24 income year.

The measure will apply a \$20,000 threshold for the immediate write-off, applicable to eligible assets costing less than \$20,000 first used or installed between 1 July 2023 and 30 June 2024. The \$20,000 threshold will apply on a per asset basis, so small businesses can instantly write-off multiple low-cost assets. The threshold had been suspended during the operation of temporary full expensing from 6 October 2020 to 30 June 2023.

Assets costing \$20,000 or more will continue to be placed into a small business depreciation pool under the existing rules.

The provisions that prevent a small business entity from choosing to apply the simplified depreciation rules for five years after opting out will continue to be suspended until 30 June 2024.

## 10. MEDICARE URGENT CARE CLINICS – ADDITIONAL FUNDING

After consultation with the states and territories, the Government will provide additional funding of \$358.5 million over five years from 2022–23 to deliver Medicare Urgent Care Clinics. The Medicare Urgent Care Clinics will reduce pressure on hospital emergency departments and improve access for urgent, but not life threatening, care. All Medicare Urgent Care Clinics will be open during extended business hours with no appointments required and will ensure that patients do not have out of pocket costs.

Partial funding for this measure has already been provided for by the Government and by the end of 2023, eight new clinics are expected to be fully resourced and operating.



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## 11. MENTAL HEALTH

The Government will provide \$556.2 million over five years from 2022–23 (and \$36.0 million ongoing) to strengthen Australia's mental health and suicide prevention system.

Funding includes:

- \$260.2 million over two years from 2023–24 to extend Commonwealth psychosocial supports for people with severe mental illness who are not in the National Disability Insurance Scheme
- \$136.0 million over four years from 2023–24 (and \$36.0 million ongoing) to support the mental health of survivors of torture and trauma before moving to Australia on humanitarian grounds, through the Program of Assistance for Survivors of Torture and Trauma, and other culturally and linguistically diverse communities
- \$91.3 million over five years from 2022–23 for additional psychology placements, including 500 psychology post graduate placements, 500 one year internships, and 2,000 supervisor training sessions (1,000 of which will be refresher places), and a redesign of psychology higher education pathways
- \$17.8 million over five years from 2022–23 to upskill the mental health capabilities of the broader health workforce through training, resources and professional development materials. This will include reviewing and improving undergraduate curricula for nursing, midwifery and allied health to ensure students are receiving contemporary training in mental health

## 12. NATIONAL IMMUNISATION PROGRAM

The Government will provide funding of \$449.4 million over five years from 2022–23 (and \$118.0 million ongoing) and deliver efficiencies of \$74.1 million over four years from 2023–24 (and \$18.1 million ongoing) for new and amended listings on the National Immunisation Program (NIP).

## 13. PHARMACEUTICAL BENEFITS SCHEME (PBS) NEW AND AMENDED LISTINGS

The Government will provide \$2.2 billion over five years from 2022–23 for new and amended listings on the Pharmaceutical Benefits Scheme (PBS), the Repatriation Pharmaceutical Benefits Scheme, the Life Saving Drugs Program, the National Epidermolysis Bullosa Dressing Scheme and the Stoma Appliance Scheme.

## 14. REDUCING PATIENT COSTS AND IMPROVING SERVICES THROUGH COMMUNITY PHARMACIES

The Government will provide \$1.3 billion over five years from 2022–23 and deliver savings of \$1.3 billion over four years from 1 July 2023 to reduce patient costs and improve access to medicines and related services delivered by community pharmacies.

Funding includes:

- \$654.9 million over four years from 2023–24 (and \$168.4 million ongoing) for community pharmacy programs under the Seventh Community Pharmacy Agreement (7CPA)
- \$377.3 million over four years from 2023–24 (and \$98.4 million ongoing) to make patient access more affordable under the Pharmaceutical Benefits Scheme (PBS) Opioid Dependence Treatment program
- \$111.8 million over four years from 2023–24 (and \$24.2 million ongoing) to provide electronic prescription delivery infrastructure and services, including mandating the use of e-prescribing for high risk and high cost medicines subsidised under the PBS

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## 15. VAPING REGULATION REFORM AND SMOKING CESSATION PACKAGE

The Government will provide \$511.1 million over four years from 2023-24 (and \$101.1 million ongoing) for a new national lung cancer screening program, nicotine vaping product regulation and reform, and cessation support activities for tobacco and vaping use.

Funding includes:

- \$263.8 million over four years from 2023–24 (and up to \$101.1 million per year ongoing) to establish and maintain a national lung cancer screening program, including program design, implementation and monitoring, National Cancer Screening Register expansion, communications, workforce training and updated clinical guidance
- \$141.2 million over four years from 2023–24 to expand the Tackling Indigenous Smoking program to prevent the uptake, and reduce the prevalence, of vaping by First Nations Australians
- \$63.4 million over four years from 2023–24 for national public health campaigns to prevent uptake and reduce smoking and vaping, including additional funding provisioned in the Contingency Reserve for a targeted youth campaign



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