



Building a stronger Medicare

Summary of package

The 2023–24 Budget provides an historic \$6.1 billion investment in Medicare, to lay the foundations for significant reforms. It delivers critical funding to meet the urgent healthcare needs of today, while starting reforms to build a stronger Medicare for future generations.

This Budget responds to the recommendations of the Strengthening Medicare Taskforce and takes the key steps needed to address the many pressing challenges in our healthcare system.

For many Australians, seeing a general practitioner (GP) has become harder and more expensive, especially in regional, rural and remote areas.

This Budget delivers landmark investments, including \$6.1 billion in strengthening Medicare measures to revamp primary healthcare.

The investments in the Budget will cement Medicare as the foundation of the nation's health system, increase affordability for patients, give more certainty and confidence to doctors, and take pressure off hospitals.

It will address declining bulk billing rates and doctor availability and start to rebuild primary care as the core of an effective, modern healthcare system for all Australians.

A \$3.5 billion investment to triple bulk billing incentives, will support free GP consultations for 11.6 million children under 16, pensioners and other Commonwealth concession card holders.

More than 300 medicines will be cheaper for 6 million Australians who will be able to buy 2 months' worth of medicine with a single prescription. This will mean fewer visits to the GP and pharmacy, saving patients an estimated \$1.6 billion.

The Budget also includes an indexation boost to Medicare rebates of more than \$1.5 billion – delivering the biggest increase in 30 years.

This Government will ensure all Australians have better access to healthcare when and where they need it.

\$6.1 billion

to strengthen Medicare

\$3.5b

tripling bulk billing incentives

\$1.6b

saved by patients on cheaper medicines

plus

\$1.5b

indexation boost to Medicare rebates

This includes higher incentives to expand multidisciplinary team care in general practice, more Medicare Urgent Care Clinics and better access to after-hours primary care.

MyMedicare will enable blended funding models to better serve the needs of patients and allow health teams to provide more tailored care.

Investments to grow a skilled and well-distributed primary care workforce will include expanding the roles of nurses, nurse practitioners, midwives, allied health and pharmacists, and creating more education and scholarship opportunities.

An investment of \$951.2 million (over 4 years) will upgrade and modernise digital health systems to make it easier for patients and healthcare providers to securely and safely share health information to improve the care provided and reduce duplication.

In very remote areas, the bulk billing incentive for a standard consultation will increase from \$13.15 to \$39.65

Who benefits

The Government is investing \$3.5 billion to triple bulk billing incentives to address the sharp decline in bulk billing rates over recent years, and make healthcare more affordable for 11.6 million children under 16, pensioners and other Commonwealth concession card holders.

Declining bulk billing, increased out-of-pocket costs and broader cost-of-living pressures, means many patients don't see or delay seeing a GP, or go to emergency departments for treatment which adds pressure on hospitals.

Tripling the bulk billing incentives will support GPs to continue to bulk bill Australians who feel cost of living pressures most acutely.

It will be of particular benefit to people who live in regional, rural and remote communities, where access to primary care services is limited, and to concession card holders who generally use more GP services and have higher levels of chronic and complex health conditions and socioeconomic disadvantage.

Incentives will cover general face-to-face and telehealth GP consultations, including home visits for people who are homebound, and consultations in residential aged care facilities.

From 1 November, a GP who bulk bills an eligible patient for a standard consultation in a metropolitan area will receive an increased incentive of \$20.65 instead of \$6.85.

In very remote areas, the bulk billing incentive for a standard consultation will increase to \$39.65, instead of \$13.15.

This measure supports the recommendation of the Strengthening Medicare Taskforce to increase more affordable care, ensuring Australians on low incomes can access care at no or low cost.

Case study

Sam is a 66-year-old man who lives alone in a regional town and has a background of mild chronic obstructive pulmonary disease and cardiovascular disease.

Since Sam's GP ceased bulk billing 2 years ago, Sam has stopped going to regular appointments, as the up front \$80 cost of a consultation was more than he could afford. Instead, when Sam feels particularly unwell, he relies on the local hospital's emergency department for care.

This means Sam has to wait long periods in the waiting room, and he receives reactive, rather than proactive care, which has caused his condition to get worse over time.

With higher bulk billing incentives, Sam's GP has reintroduced bulk billing for eligible patients. As Sam has a Commonwealth concession card, his standard GP consultations are now free.

Sam starts making regular appointments with his GP, who can ensure he is on the right medicine and that his condition is stable, so that Sam no longer needs to attend the emergency department.



Cheaper medicines

As well as more affordable healthcare, Australians will benefit from cheaper medicines.

GPs and nurse practitioners will be able to prescribe 2 months' worth of some PBS medicines, rather than the current one month supply.

For 6 million Australians living with chronic stable diseases, this will mean fewer visits to the pharmacist and fewer prescription co-payments, resulting in lower out-of-pocket costs for more than 300 common medicines on the PBS for conditions like heart disease, high cholesterol and hypertension.

This will save eligible patients up to \$180 per year for each medicine they take. Concession card holders will save up to \$43.80 a year per medicine.

Every dollar saved by the Government from this reform will be reinvested back into community pharmacy to provide clinical services that Australians need, including National Immunisation Program vaccinations and opioid dependency treatment, and to ensure the ongoing strength of the sector.

Medicines to treat COVID-19, cystic fibrosis and many other conditions will be added to the PBS in new and amended listings, reducing the cost of these medicines to patients (\$2.2 billion).

Making it easier to get the care you need

The Budget will ease pressure on hospitals and make it easier for Australians to get consistent primary care without needing to go to a hospital, even after hours, with lower out-of-pocket costs.

It includes new funding to support 8 additional Medicare Urgent Care Clinics. This will deliver a total of 58 clinics – all to open their doors around the country this year (\$358.5 million).

These clinics will be open longer hours to provide free, non-life threatening emergency care to patients, taking pressure off emergency departments.



Primary Health Networks (PHN) will be supported to focus on access to primary care for vulnerable communities, with a \$93.4 million investment to extend the PHN After Hours programs for another 2 years, ensuring that people can access general practice services when they need them. They will also be funded to commission services to improve access to primary care for multicultural communities and for people experiencing homelessness (\$50.5 million over 2 years).

Patients will be able to get consistent care from a team of healthcare providers through a new voluntary patient registration payment model – MyMedicare (\$19.7 million over 4 years).

MyMedicare will build a stronger relationship between patients and their primary care teams. It is voluntary and open to anyone, with patients able to register with their preferred practice, GP and care team. It will support access to longer telehealth consultations (\$5.9 million over 4 years).

Providers will receive incentive payments to deliver wraparound, tailored care to keep patients with complex, chronic disease out of hospitals (\$98.9 million over 4 years).

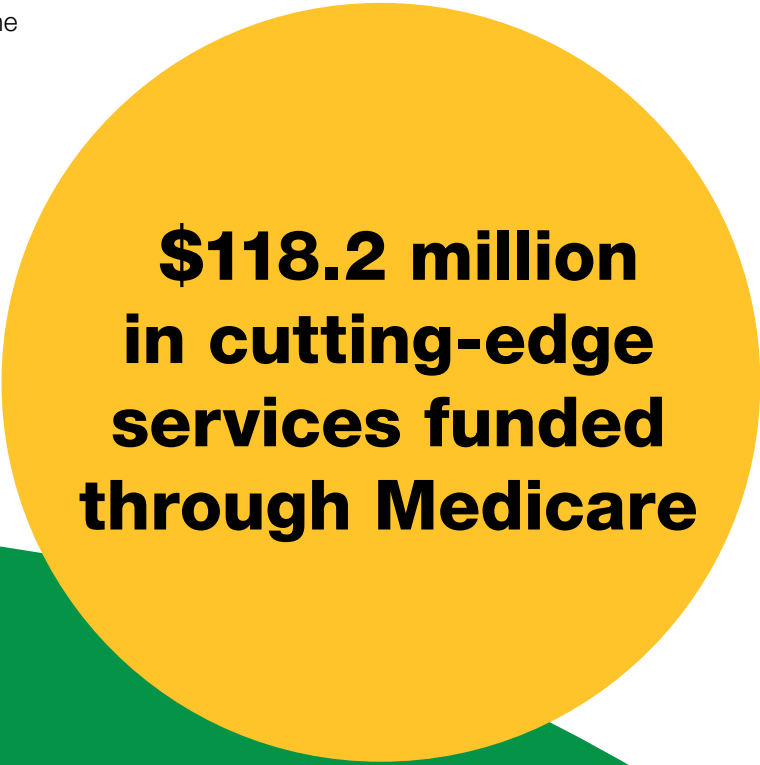
This will help the more than 13,000 patients with complex, chronic conditions who go to hospital 10 or more times each year because they are not getting the comprehensive, team-based care they need.

People with chronic conditions and complex needs will also benefit from rebates for longer consultations of 60 minutes or more, to give doctors the support they need to provide high-quality care to those who need more time (\$98.2 million). Eligible patients with a chronic wound and diabetes will have access to more affordable wound care (\$47.8 million).

Heart health checks to protect Australians against heart disease will be extended. New cutting-edge patient clinical services will be funded through Medicare (\$118.2 million over 5 years) including:

- genetic testing for childhood hearing loss
- genetic testing for haematological malignancies
- profiling tests to determine a patient's risk of recurrent breast cancer
- testing for the diagnosis of mitochondrial disease.

The Government will also subsidise the costs of storage for future use of eggs, sperm or embryos for cancer patients of reproductive age, and people at high risk of passing on genetic diseases or conditions.



**\$118.2 million
in cutting-edge
services funded
through Medicare**

Case study

Arun is a 4-year-old boy who is the youngest of 3 siblings. Arun's parents are recent immigrants to Australia and English is their second language. Arun's family live in a regional town.

Arun complains to his parents of an earache. Arun's parents use the multicultural access program coordinated by their local Primary Health Networks (PHNs) to schedule an appointment with a general practitioner who can speak their primary language. Arun's parents register online with their general practice via MyMedicare so that they can receive ongoing and coordinated care from a team of providers. Arun's general practice is in an under-serviced area and has received additional funding via the local PHN to attract nurses and allied health professionals to work there.

Arun has an appointment with his general practitioner and is diagnosed with a middle ear infection, which is recorded in his My Health Record. However, that evening, Arun's symptoms worsen. His parents contact Healthdirect's free helpline, and Arun and his parents are supported to seek care from his usual general practice after hours instead of the emergency department.

Arun is reviewed and prescribed antibiotics. This care has avoided an unnecessary visit to the emergency department and ensured Arun gets well quickly.



Improved digital systems to drive better care and better connections

A stronger Medicare relies on a better digital system that meets the current and future needs of patients and health professionals. To achieve this, the Budget includes a \$951.2 million over 4 years investment in digital health technologies to build a more efficient, connected and collaborative healthcare system.

With \$325.7 million, it will make the Australian Digital Health Agency an ongoing entity, so that it can continue to deliver important digital health infrastructure, including upgrading My Health Record.

A \$429 million investment will ensure that My Health Record is easier to use, is compatible with the information and billing systems that health practitioners are already using, and connects the health system so that patients can access and securely share their health data.

The Intergovernmental Agreement on National Digital Health will be renewed for 4 years to progress the secure, safe and efficient sharing of information across the health system (\$126.8 million).

Case study

Mariana is a 74-year-old woman living independently at home with type 2 diabetes. Mariana wants help managing a recent leg ulcer that is a complication of her diabetes. Mariana is registered with her general practice via MyMedicare and can schedule a consult lasting more than 60-minutes.

Mariana and her general practitioner, with the support of her MyMedicare team, develop a suitable care plan (for complex needs and chronic diseases) that includes wound care, access to subsidised dressings under the new wound consumables scheme and a review of her care plan with a diabetes nurse educator. Mariana's general practice visit and care plan are recorded in her My Health Record along with updates from her wound care and diabetes education sessions, and is retrievable by other authorised providers.

Mariana's general practitioner identifies additional clinical care needs and refers her to other specialists, including an endocrinologist for support with her medications and a vascular surgeon for concerns with toe pressure and her leg ulcer. Mariana's other specialists can view up-to-date summaries and test results on My Health Record and order select diagnostic tests, avoiding the cost and inconvenience of needless tests.

By using an up-to-date and easily shareable My Health Record with her health providers, Mariana was able to avoid unnecessary medical tests, make better healthcare decisions, and minimise the risk of errors.

A growing workforce with more support for our health workers to do what they're trained to do

A stronger Medicare will build a bigger health and aged care workforce that is skilled, diverse, motivated, well-distributed and sustainable, and has all clinicians working to the full extent of their skills and training.

The Budget takes the first steps in better using the skills of the entire care workforce including nurses, midwives, allied health professionals, psychologists, aged care workers and pharmacists.

This will help free up overstretched GPs to deliver the high-value care they are trained to provide, take pressure off hospitals and make it easier for all Australians to get affordable care when and where they need it.

It will be especially valuable for patients with chronic conditions who will benefit from a coordinated team of health workers working together to support their long-term health.

To improve the accessibility and affordability of primary care in rural areas, a new pre-fellowship program for non-vocational doctors will be established (\$30.5 million). This program will support international medical graduates, who are new to Australia, to work in primary care and remain in smaller communities.

Changes to scholarship arrangements – with a focus on nursing, midwifery and First Nations health workers – will boost the workforce in primary care, aged care, regional and rural areas and other areas of workforce shortage (\$1.1 million in 2023–24).

This Budget will unlock the potential of Australia's highly-educated and trusted nurses and midwives to use and increase their skills to provide more primary care. It funds:

- 6,000 clinical placements to provide nursing students with practical experience of primary healthcare nursing, to help meet future demand in primary care (\$4.2 million over 4 years)
- 1,850 postgraduate scholarships to train more nurse practitioners and endorsed midwives (\$50.2 million over 4 years)
- \$1 million in incentives to get 500 nurses back into the workforce.

GP registrars in regional, rural and remote locations will be able to deliver services in community-based medical practices without losing employment benefits as they move between employers, through an extension of the Single Employer Model trials (\$4.5 million over 4 years).

The Budget will significantly increase incentives for primary care practices to employ various health professionals, to provide team-based, patient-centred, high-quality primary care. Small and medium practices will receive a 30% increase to their maximum payment, while large practices will receive at least 4% more, and more general practices will be eligible for the maximum payment (\$445.1 million over 5 years).

Current practice and workforce incentive programs will be extended, and a review will be undertaken to ensure incentive payments appropriately support primary care practices to deliver the care Australians expect (\$60.2 million in 2023–24).

PHNs will be funded to commission multidisciplinary care from allied health professionals, nurses and midwives (\$79.4 million over 4 years) to support primary care practices in under-served areas, particularly small or solo practices, to increase patient access and improve the management of chronic conditions and mental health.

We are unlocking the potential of our trusted nurses, nurse practitioners and midwives to use their training, education and skills to provide the care that patients need.

Medicare patient rebates for care provided by nurse practitioners will be increased by 30% (\$45 million over 4 years). The Government will also enable our highly-trained nurse practitioners and participating midwives to prescribe PBS medicines and provide services under Medicare without the need for a legislated collaborative arrangement (\$1.8 million over 4 years).

Patients will have continued access to medication management and dose administration aids programs, with funding for community pharmacy programs increased (\$654.9 million over 4 years). The total budget for the Regional Pharmacy Maintenance Allowance will be doubled (\$79.5 million over 4 years).

Pharmacists will be funded to administer National Immunisation Program vaccines (\$114.1 million over 5 years), authorised in their state and territory, at no cost to patients, and the more than 50,000 Australians who need treatment for opioid dependency will have funded support to access the treatment they need from their local pharmacy at a cost they can afford (\$377.3 million over 4 years).

The Government is
**supporting our
trusted pharmacists
to play an even
bigger role in
the healthcare of
Australians**



Funding details

Strengthening Medicare

- Tripling of bulk billing incentive – \$3.5 billion over 5 years
- Implementing MyMedicare – \$19.7 million over 4 years
- Investing in a modernised My Health Record to drive a digitally connected healthcare system for all Australians – \$429 million over 2 years
- Medicare Urgent Care Clinics – \$358.5 million over 5 years
- Improving patient care through MBS nurse practitioner services and removal of legislated collaborative arrangements – \$46.8 million over 4 years
- MBS new and amended listings – \$118.2 million over 5 years
- Monitoring and evaluation – \$6.1 million over 4 years
- PHN commissioning of multidisciplinary teams – \$79.4 million over 4 years
- Reform of after hours programs – \$143.9 million over 2 years
- Support for James Cook University under the Australian Training Program – \$4.2 million over 2 years
- GP levels C and D phone consultation for registered patients – \$5.9 million over 5 years
- Scholarships for primary care nurses and midwives – \$50.2 million over 4 years
- Single Employer Model for rural health professionals – \$4.5 million over 4 years
- Workforce Incentive Program: increased payments to support multidisciplinary care – \$445.1 million over 5 years
- Wraparound primary care for frequent hospital users – 98.9 million over 4 years
- Supporting health, care and support services in thin markets – \$47.2 million over 5 years
- Reform of general practice incentives programs – \$60.2 million in 2023–24
- Intergovernmental Agreement on National Digital Health – \$126.8 million over 4 years
- Chronic Wound Consumables Scheme: for patients with diabetes – \$47.8 million over 5 years
- Consumer Engagement in Primary Care Reform – \$13 million over 4 years
- Education for the future primary care workforce – \$31.6 million over 2 years
- Reducing disparity in access to primary care – \$29.1 million over 2 years
- Securing the Australian Digital Health Agency to lead digital enablement of healthcare – \$325.7 million over 4 years
- Health delivery modernisation: enabling reform – \$69.7 million over 4 years
- Expand the nursing workforce to improve access to primary care – \$10.7 million over 4 years

New and amended listings

- PBS new and amended listings – \$2.2 billion over 5 years
- New Listings on the Life Saving Drugs Program – \$5.7 million over 5 years

Other critical health infrastructure

- Australia's first National Clinical Quality Registry Program – \$40 million over 4 years
- Response to initial Independent Review of Medicare Integrity and Compliance – \$29.8 million over 4 years
- Strengthening electronic prescribing and targeted digital medicines enhancements – \$111.8 million over 4 years
- Continuous review of the MBS – \$10.9 million in 2023–24
- Enhanced patient care and PBS Savings through medicines repurposing – \$10.1 million over 4 years



All information in this publication
is correct as at May 2023

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