### 2.2 Budgeted expenses and performance for Outcome 2

|  |
| --- |
| **Outcome 2: Individual Health Benefits**  Ensuring improved access for all Australians to cost-effective and affordable medicines, medical, dental and hearing services; improved choice in health care services, through guaranteeing Medicare and the Pharmaceutical Benefits Scheme; supporting targeted assistance strategies and private health insurance. |

**Programs contributing to Outcome 2**

|  |
| --- |
| **Program 2.1: Medical Benefits**  **Program 2.2: Hearing Services**  **Program 2.3: Pharmaceutical Benefits**  **Program 2.4: Private Health Insurance**  **Program 2.5: Dental Services**  **Program 2.6: Health Benefit Compliance**  **Program 2.7: Assistance through Aids and Appliances** |

**Linked programs**

| **Other Commonwealth entities that contribute to Outcome 2** |
| --- |
| **Australian Taxation Office (ATO)** |
| Program 1.12: Private Health Insurance Rebate  The ATO contributes to the administration ofthe Government’s Private Health Insurance Rebate program. The ATO also works with the Department of Health and Aged Care to deliver the Multi‑Agency Data Integration Project (2.4). |
| Department of the Prime Minister and Cabinet (Office for Women) |
| **Program 1.1: Prime Minister and Cabinet**  The Office for Women is leading implementation of *Working for Women: A Strategy for Gender Equality*, which provides a framework for national gender equality approaches, including in relation to gender equity in healthcare access and outcomes (2.1 and 2.3). |

|  |
| --- |
| **Other Commonwealth entities that contribute to Outcome 2** |
| **Department of Social Services (DSS)** |
| Program 1.1: Support for Families  Program 1.3: Support for Seniors  Program 1.4: Financial Support for People with Disability  Program 1.5: Financial Support for Carers  Program 1.6: Working Age Payments  Program 1.7: Student Payments  DSS contributes to providing access to cost-effective medicines, medical, dental, and hearing services by determining income support recipient eligibility for Pensioner Concession Cards, Health Care Cards and Commonwealth Seniors Health Cards, which attract concessions under this Outcome (2.1, 2.2, 2.3, 2.5 and 2.6). |
| Department of the Treasury (Treasury) |
| Program 1.4: Commonwealth-State Financial Relations  Treasury provides financial assistance through National Partnership payments to state and territory governments as part of the Federal Financial Relations Framework[[1]](#footnote-2), which includes funding for the Federation Funding Agreement on Public Dental Services for Adults (2.5). |
| Department of Veterans’ Affairs (DVA) |
| **Program 2.1: General Medical Consultations and Services**  Program 2.3: Veterans’ Pharmaceuticals Benefits  Program 2.5: Veterans’ Counselling and Other Health Services  Program 2.6: Military Rehabilitation and Compensation Acts – Health and Other Care Services  DVA provides access to general and specialist medical and dental services for its clients  (2.1, 2.5 and 2.6).  DVA’s Repatriation Pharmaceutical Benefits Scheme provides clients access to a comprehensive range of pharmaceuticals and wound dressings for the treatment of their health care needs (2.3). |
| Hearing Australia |
| Program 2.2: Hearing Services  Hearing Australia provides access to high quality hearing services to eligible people through delivery of the Hearing Services Program (HSP) (2.2). |
| National Health Funding Body (NHFB) |
| Program 1.1: National Health Funding Pool Administration  The Department of Health and Aged Care has lead responsibility for the integrity of health benefits claims and associated compliance activities. The NHFB Administrator and the NHFB work with the Commonwealth, states and territories on data matching and the identification of potential duplicate payments through other Commonwealth funded programs to ensure the same public hospital service is not funded twice (2.6). |
| Other Commonwealth entities that contribute to Outcome 2 |
| Professional Services Review (PSR)[[2]](#footnote-3) |
| Program 1.1: Safeguarding the Integrity of the Medicare Program and Pharmaceutical Benefits Scheme  The PSR contributes to the integrity of the Medicare program, the Pharmaceutical Benefits Scheme and the Child Dental Benefits Schedule by investigating, on request from the Chief Executive Medicare, health practitioners and entities that provide such services who are suspected of inappropriate practice and determining any sanctions to be applied (2.1, 2.5 and 2.6). |
| Services Australia |
| Program 1.2: Customer Service Delivery  Program 1.3: Technology and Transformation  Services Australia administers payments to eligible recipients under the following programs:   * Medicare services and benefit payments, and related Medicare Benefits Schedule items (2.1) * external breast prostheses reimbursements (2.1) * ex-gratia payments for the Disaster Health Care Assistance Scheme (2.1) * Hearing Services Program payments for voucher services and devices (2.2) * the Pharmaceutical Benefits Scheme (2.3) * Lifetime Health Cover mail out and the private health insurance rebate (2.4) * the Child Dental Benefits Schedule (2.5) * payment of claims from stoma associations for stoma-related products (2.7). |

##### 

##### Budgeted expenses for Outcome 2

This table shows how much the entity intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by Administered and Departmental funding sources.

**Table 2.2.1: Budgeted expenses for Outcome 2**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2023–24 Estimated actual $'000** | **2024–25 Budget  $'000** | **2025–26 Forward estimate $'000** | **2026–27 Forward estimate $'000** | **2027–28 Forward estimate $'000** |
| **Program 2.1: Medical Benefits** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (a) | 134,532 | 110,278 | 108,798 | 107,285 | 107,331 |
| Special account |  |  |  |  |  |
| Medicare Guarantee Fund  - medical benefits | 29,557,569 | 31,840,321 | 33,801,277 | 35,366,621 | 37,211,682 |
| accrual adjustment | 70,784 | 32,521 | 4,766 | 23,179 | 25,373 |
| **Total for Program 2.1** | **29,762,885** | **31,983,120** | **33,914,841** | **35,497,085** | **37,344,386** |
| **Program 2.2: Hearing Services** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (a) | 616,984 | 652,815 | 687,473 | 698,955 | 745,157 |
| **Total for Program 2.2** | **616,984** | **652,815** | **687,473** | **698,955** | **745,157** |
| **Program 2.3: Pharmaceutical Benefits** |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (a) | 1,008,333 | 958,739 | 1,064,099 | 1,040,228 | 1,010,183 |
| Special account |  |  |  |  |  |
| Medicare Guarantee Fund *-* pharmaceutical benefits | 17,982,588 | 18,570,288 | 18,696,984 | 18,511,283 | 18,703,711 |
| accrual adjustment | 18,456 | 13,756 | (1,221) | (6,744) | 3,291 |
| **Total for Program 2.3** | **19,009,377** | **19,542,783** | **19,759,862** | **19,544,767** | **19,717,185** |
| **Program 2.4: Private Health Insurance** |
| Administered expenses |  |  |  |  |  |
| Ordinary annual services (a) | 14,759 | 8,357 | 7,135 | 6,975 | 7,027 |
| Special appropriations |  |  |  |  |  |
| *Private Health Insurance Act 2007* - incentive payments and rebate | 7,045,715 | 7,252,229 | 7,456,898 | 7,622,435 | 7,774,748 |
| **Total for Program 2.4** | **7,060,474** | **7,260,586** | **7,464,033** | **7,629,410** | **7,781,775** |
| **Program 2.5: Dental Services (b)** |  |  |  |  |  |
| Administered expenses |  |  |  |  |  |
| Special appropriations |  |  |  |  |  |
| *Dental Benefits Act 2008* | 339,889 | 327,539 | 325,847 | 324,568 | 324,488 |
| **Total for Program 2.5** | **339,889** | **327,539** | **325,847** | **324,568** | **324,488** |

**Table 2.2.1: Budgeted expenses for Outcome 2 (continued)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2023–24 Estimated actual $'000** | | | **2024–25 Budget  $'000** | | **2025–26 Forward estimate $'000** | **2026–27 Forward estimate $'000** | **2027–28 Forward estimate $'000** |
| **Program 2.6: Health Benefit Compliance** | | |
| Administered expenses |  | | |  | |  |  |  |
| Ordinary annual services (a) | 20,319 | | | 16,645 | | 16,645 | 16,645 | 16,645 |
| **Total for Program 2.6** | **20,319** | | | **16,645** | | **16,645** | **16,645** | **16,645** |
| **Program 2.7: Assistance through Aids and Appliances** | | | | |
| Administered expenses |  | | |  | |  |  |  |
| Ordinary annual services (a) | 2,012 | | | 3,645 | | 2,378 | 2,378 | 2,378 |
| Special appropriations |  | | |  | |  |  |  |
| *National Health Act 1953*  -aids and appliances | 514,817 | | | 502,749 | | 511,214 | 511,111 | 511,113 |
| **Total for Program 2.7** | **516,829** | | | **506,394** | | **513,592** | **513,489** | **513,491** |
| **Outcome 2 totals by appropriation type** | |
| Administered expenses |  | | |  | |  |  |  |
| Ordinary annual services (a) | 1,796,939 | | | 1,750,479 | | 1,886,528 | 1,872,466 | 1,888,721 |
| Special appropriations | 7,900,421 | | | 8,082,517 | | 8,293,959 | 8,458,114 | 8,610,349 |
| Special account | 47,540,157 | | | 50,410,609 | | 52,498,261 | 53,877,904 | 55,915,393 |
| accrual adjustment | 89,240 | | | 46,277 | | 3,545 | 16,435 | 28,664 |
| Departmental expenses |  | | |  | |  |  |  |
| Departmental appropriation (c) | 211,789 | | | 217,775 | | 202,585 | 184,837 | 181,130 |
| Expenses not requiring appropriation in the Budget year (d) | 5,637 | | | 9,777 | | 8,270 | 8,126 | 8,126 |
| **Total expenses for Outcome 2** | **57,544,183** | | | **60,517,434** | | **62,893,148** | **64,417,882** | **66,632,383** |
|  |  | | |  | |  |  |  |
|  | **2023–24** | | | **2024–25** | |  |  |  |
| **Average staffing level (number)** | 1,081 | | | 1,122 | |  |  |  |

Table has been prepared inclusive of 2023-24 Additional Estimates figures.

(a) Appropriation Bill (No. 1) 2024–25.

(b) Budget estimates for this program exclude National Partnership payments to state and territory governments by Treasury as part of the Federal Financial Relations framework. National Partnerships are listed in this chapter under each program. For Budget estimates relating to the National Partnership component of this program, please refer to Budget Paper 3 or Program 1.9 of Treasury's Portfolio Budget Statements.

(c) Departmental appropriation combines 'Ordinary annual services Appropriation Bill (No. 1)' and 'Revenue from independent sources (s74)'.

(d) Expenses not requiring appropriation in the Budget year are made up of depreciation expense, amortisation expense, makegood expense and audit fees.

#### Performance measures for Outcome 2

Table 2.2.2 – 2.2.8 details the performance measures for each program associated with Outcome 2. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan, the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2024–25 Budget measures that have created new programs or materially changed existing programs are provided.

### Table 2.2.2: Performance measure for Program 2.1

|  |  |  |
| --- | --- | --- |
| **Outcome 2: Individual Health Benefits**  Ensuring improved access for all Australians to cost-effective and affordable medicines, medical, dental and hearing services; improved choice in health care services, through guaranteeing Medicare and the Pharmaceutical Benefits Scheme; supporting targeted assistance strategies and private health insurance. | | |
| **Program 2.1: Medical Benefits**  Deliver a modern, sustainable Medicare Benefits Schedule that supports all Australians to access high-quality and cost-effective professional services. Work with consumers, health professionals, private health insurers, and states and territories to continue strengthening Medicare. Provide and improve access to medical and health services for all Australians through a contemporary Medicare Benefits Schedule (MBS) that is based on clinical evidence, and which supports the provision of high quality services. | | |
| **Key Activities** | Supporting access to a contemporary and sustainable Medicare Benefits Schedule (MBS). | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.1A –** Percentage of Australians accessing Medicare Benefits Schedule services. | Data not yet available[[3]](#footnote-4) |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | >90% |
| Forward Estimates 2025–28 | As per 2024–25 | As per 2024–25 |
| Material changes to Program 2.1 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.3: Performance measures for Program 2.2

|  |  |  |
| --- | --- | --- |
| **Program 2.2: Hearing Services**  Provide high-quality hearing services, including devices, to eligible people to help manage their hearing loss and improve engagement with the community. | | |
| **Key Activities** | Provide access to high-quality hearing services through delivery of the Voucher scheme and Community Service Obligations (CSO) components of the Hearing Services Program. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.2A**   1. Number of active vouchered clients[[4]](#footnote-5) who receive hearing services. 2. Number of active Community Service Obligations clients who receive hearing services. | 1. Data not yet available[[5]](#footnote-6) 2. Data not yet available[[6]](#footnote-7) |
| **Year** | **Performance Measure** | **Planned Performance Results[[7]](#footnote-8)** |
| Budget Year 2024–25 | As per 2023–24 | 1. 899,000 2. 81,700 |
| Forward Estimates 2025–28 | As per 2024–25 | Increase on the previous years’ number of active vouchered clients (a) and number of active CSO clients (b):  In 2025–26   1. 914,000 2. 83,800   In 2026–27   1. 943,359 2. 87,152   In 2027–28   1. 972,000 2. 90,500 |
| Material changes to Program 2.2 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.4: Performance measures for Program 2.3

|  |  |  |
| --- | --- | --- |
| **Program 2.3: Pharmaceutical Benefits**  Provide all eligible Australians with reliable, timely, and affordable access to high-quality, cost-effective medicines, and pharmaceutical services by subsidising the cost of medicines through the Pharmaceutical Benefits Scheme (PBS). | | |
| **Key Activities** | Provide all eligible Australians with reliable, timely, and affordable access to high-quality, clinically effective, cost-effective medicines recommended by the Pharmaceutical Benefits Advisory Committee, by listing of new medicines on the Pharmaceutical Benefits Scheme. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.3A –** Percentage of new medicines recommended by the Pharmaceutical Benefits Advisory Committee (PBAC) that are listed on the Pharmaceutical Benefits Scheme within 6 months of in principle agreement to listing arrangements. | ≥80% |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | ≥80% |
| Forward Estimates 2025–28 | As per 2024–25 | As per 2024–25 |
| Material changes to Program 2.3 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.5: Performance measure for Program 2.4

|  |  |  |
| --- | --- | --- |
| **Program 2.4: Private Health Insurance**  Promote affordable, cost-effective, quality private health insurance (PHI) and choice for consumers. | | |
| **Key Activities** | Assessment of private health insurer premium change applications. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.4A –** Percentage of applications to the Minister from private health insurers to change premiums charged under a complying health insurance product that are assessed within approved timeframes. | 100% |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | 100% |
| Forward Estimates 2025–28 | As per 2024–25 | As per 2024–25 |
| Material changes to Program 2.4 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.6: Performance measure for Program 2.5

|  |  |  |
| --- | --- | --- |
| **Program 2.5:** **Dental Services**  Support eligible children to access essential dental health services through the Child Dental Benefits Schedule (CDBS). | | |
| **Key Activities** | Working with Services Australia to increase awareness of the CDBS program to support eligible children to access essential dental health services. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.5A –** The percentage of eligible children[[8]](#footnote-9) accessing essential dental health services through the Child Dental Benefits Schedule. | 38% |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | 43.6% |
| Forward Estimates 2025–28 | As per 2024–25 | Increase in percentage each year to:   * 44.5% in 2025–26 * 45.4% in 2026–27 * 46.3% in 2027–28 |
| Material changes to Program 2.5 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.7: Performance measure for Program 2.6

|  |  |  |
| --- | --- | --- |
| **Program 2.6: Health Benefit Compliance**  Support the integrity of health benefit claims through prevention, early identification and treatment of incorrect claiming, inappropriate practice and fraud. | | |
| **Key Activities** | To take action against health care providers who are found non-compliant to support the integrity of health benefit claims. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.6A –** Percentage of completed audits, practitioner reviews and investigations that find non-compliance. | >80% |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | >80% |
| Forward Estimates 2025–28 | As per 2024–25 | As per 2024–25 |
| Material changes to Program 2.6 resulting from 2024–25 Budget Measures: Nil | | |

### Table 2.2.8: Performance measure for Program 2.7

|  |  |  |
| --- | --- | --- |
| **Program 2.7: Assistance through Aids and Appliances**  Improve health outcomes for the Australian community through the provision of targeted assistance for aids and appliances. | | |
| **Key Activities** | Deliver the National Diabetes Services Scheme, including expanded access arrangements for continuous glucose monitoring products, with the assistance of Diabetes Australia. | |
| **Year** | **Performance Measure** | **Expected Performance Results** |
| Current Year 2023–24 | **2.7A –** Average Net Promoter Score for National Diabetes Services  Scheme programs. | >70 |
| **Year** | **Performance Measure** | **Planned Performance Results** |
| Budget Year 2024–25 | As per 2023–24 | >70 |
| Forward Estimates 2025–28 | As per 2024–25 | As per 2024–25 |
| Material changes to Program 2.7 resulting from 2024–25 Budget Measures: Nil | | |

1. For Budget estimates relating to the National Partnership component of the program, refer to Budget   
   Paper No. 3. [↑](#footnote-ref-2)
2. Refer to the PSR chapter in these PB Statements for further information on the work of this entity. [↑](#footnote-ref-3)
3. Expected performance result not yet available. Final results will be published in the Department of Health and Aged Care Annual Report 2023–24. [↑](#footnote-ref-4)
4. Active clients refers to the number of current voucher holders under the Hearing Services Program that have accessed one or more program services during the year. [↑](#footnote-ref-5)
5. Expected performance results not yet available. Final results will be published in the Department of Health and Aged Care Annual Report 2023–24. [↑](#footnote-ref-6)
6. Ibid. [↑](#footnote-ref-7)
7. Please note the Planned Performance Results for 2024–28 are currently being reviewed and final numbers will be confirmed in the Department of Health and Aged Care Corporate Plan 2024–25. [↑](#footnote-ref-8)
8. From 1 January 2022, to be eligible for the CDBS a child must be between zero and 17 years of age, must be eligible for Medicare, and the child or parent/guardian must be receiving a relevant Australian Government Payment, such as Family Tax Benefit Part A. From 1 January 2014 to 31 December 2021, the age of eligibility was between 2 and 17 years of age. [↑](#footnote-ref-9)