Changes to the Practice Incentives Program – Indigenous Health Incentive

The Practice Incentives Program – Indigenous Health Incentive (PIP IHI) was introduced in March 2010 as part of the Indigenous Chronic Disease Package. The PIP IHI encourages general practices and Aboriginal Community Controlled Health Services to appropriately and effectively meet the health care needs of Aboriginal and Torres Strait Islander people with a chronic disease.

We are now at the end of a 3-year phased transition to new arrangements. The Australian Government announced changes to the PIP IHI as part of the 2021-22 Budget, following a national consultation process. The changes are intended to improve continuity of care and health outcomes for Aboriginal and Torres Strait Islander people with a chronic disease and streamline administrative requirements for practices.

From 1 January 2023, the following changed:

* Eligibility expanded to include children under the age of 15.
* GP Mental Health Care Plans (Medicare Benefits Schedule items 2700, 2701, 2712 and 2717) added as eligible items for the purposes of outcomes payments.
* The requirement to deliver a certain number of services in a calendar year replaced with a 12-month rolling window, starting from the date the first eligible service is delivered.
* Movement to a back-ended payment structure.

From 1 November 2023, the following changed:

* Practices can begin obtaining consent from patients for lifetime registration as part of all patient registrations and re-registrations for patients aged 15 years and above. (Lifetime registration will be automatically applied from 1 January 2025.)
* Revised processes for managing consent from 15-year-olds on the program to take account of the move to lifetime registration.

From 1 January 2024, the following changed:

* Continuation of the gradual shift to a back-ended payment structure.

From 1 January 2025, the following will change:

* Finalisation of the gradual shift to a back-ended payment structure. With the shift to lifetime registration, there is no longer a registration payment. Now most of the payment to practices will be provided after a threshold level of care has been provided. See Table 1 below of the new payment structure.

Table 1: Payments under the PIP Indigenous Health Incentive

| Payment type and amount | Payment description |
| --- | --- |
|  | 1 January 2023 | 1 January 2024 | 1 January 2025 |  |
| 1. Sign-on payment | $1,000 per practice | $1,000 per practice | $1,000 per practice | One-off payment to practices that register for the Indigenous Health Incentive. Practices agree to undertake specified activities to improve the provision of care to their Aboriginal and/or Torres Strait Islander patients with a chronic disease or mental disorder. |
| 2. Patient registration payment | $150 per eligible patient per calendar year | $100 per eligible patient per calendar year | $0 | A payment to practices for each Aboriginal and/or Torres Strait Islander patient 15 and over. These patients are registered with the practice as their ‘usual care provider’.Patient registration payments aren’t payable for patients under 15, but you can still register them. |
| 3. Outcome payment | Tier 1: $100 per eligible patient per 12-month assessment period | Tier 1: $100 per eligible patient per 12-month assessment period | Tier 1: $100 per eligible patient per 12-month assessment period | A payment to practices that either:* prepares and reviews a GP Management Plan, Team Care Arrangements or GP Mental Health Treatment Plan for a registered patient within a 12-month assessment period
* completes 2 reviews of an existing GP Management Plan, Team Care Arrangements, or GP Mental Health Treatment Plan for a registered patient or contribute to a review of a multidisciplinary care plan for a patient in a Residential Aged Care Facility within a 12-month assessment period.
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| Tier 2: $150 per eligible patient per 12-month assessment period | Tier 2: $200 per eligible patient per 12-month assessment period | Tier 2: $300 per eligible patient per 12-month assessment period | A payment to practices that provide a target level of care for a registered patient within a 12-month assessment period. |

For more information on the PIP IHI, visit: [www.servicesaustralia.gov.au/pip](https://www.servicesaustralia.gov.au/organisations/health-professionals/services/medicare/practice-incentives-program/what-are-individual-incentives/indigenous-health-incentive)