CTHIN Ageing



Australian Government Department of Health and Aged Care

# 2025 Incoming Government Brief

#### Dear Minister Butler,

Congratulations on your appointment as Minister for Health and Ageing, and the Minister for Disability and the National Disability Insurance Scheme. We are excited about continuing to work with you to drive reform and improve performance of the health and aged care systems, and to support your goals to secure the future of the NDIS.

As you clearly outlined in your statement yesterday, Australia's systems of care and support through Medicare, the Pharmaceutical Benefits Scheme (PBS), aged care, and the National Disability Insurance Scheme (NDIS), are world leading and trail blazing. However, we must continue to strengthen these institutions for the decades to come.

Taking a holistic, harmonised approach to the implementation of NDIS Reforms alongside reforms to health and aged care will be vital to ensure changes in one sector do not have unintended consequences in another. This means we can take a genuinely connected approach to achieving quality care and support and make sure that the care and support economy are productive, cohesive and sustainable into the future.

This incoming government brief is organised around the strategic framework that we have collaboratively developed with you over the last six months. This framework includes both ongoing initiatives and five pillars of health and aged care reform. We will work with you over the coming months to ensure that this reflects your priorities for Disability.

The ongoing initiatives include: finalising the National Health Reform Agreement; embedding tobacco and vaping reforms; establishing the Centre for Disease Control; and implementing aged care reforms.

The five pillars are:

- Strengthening Medicare so it is affordable for Australia and Australians;
- ensuring Australians have access to the **best medicines**, cheaper at the point of sale;
- ensuring Australia is attracting and retaining health workforce, which are working to their full scope of practice;
- delivering a simpler, fairer and more targeted mental health system; and
- Closing the Gap on poor health outcomes for First Nations people.

We have updated our previous work to include your election commitments within this framework.

The incoming government brief outlines practical steps to address these challenges. Each section includes a timeline that clearly states when we will deliver key activities and when we will need to seek decisions from you to ensure timely delivery.

I believe three factors cut across all these elements. First, it is likely to be a more **fiscally constrained environment.** This puts a focus on prioritisation and our capacity to make the case persuasively, both within and outside government. Second, we need to focus on improving **health and care system productivity**. This is implicit in many of the key challenges such as: responding to the HTA review; ensuring the workforce works at to their full scope of practice; and embracing digital health. Third, we have a stock of completed reviews that have consulted widely and include significant recommendations. I would suggest that **"Even more doing, less reviewing"** would be a good mindset for this term. Reviews often absorb significant resources and raise expectation in an already crowded agenda. We look forward to supporting the government in this ambitious agenda. We are available to discuss all elements of the brief at your convenience.

Congratulations again on your reappointment, and your new responsibilities. We look forward to working with you to improve the health and wellbeing of all Australians.

Sincerely,

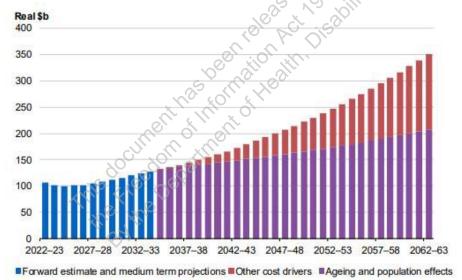
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**Blair Comley PSM** Secretary Department of Health, Disability and Ageing

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#### Operating in a fiscally constrained environment

- We are acutely aware of the importance of returning Australia's budget to a stronger, more sustainable fiscal position. There is a need for fiscal discipline and cost minimisation to ensure the government has space to deliver on its agenda. Health, Disability and Aged Care system financing is a significant proportion of Australian Government expenditure.
- Compared to OECD countries, Australia's spend on health care is modest. It provides good value for money. Noting Australia's low relative spending to other comparable countries, our aim should be to at least maintain spending levels of a proportion of GDP, while continuing to implement key reforms and investments to build upon and enhance the priorities in our health system.
- Projections of health spending fall short of the level required to maintain current spending as a percentage of gross domestic product (GDP). Analysis of the IGR projections show that health spending as a percentage GDP will continue to increase long term, however, is projected to fall significantly in the short-term. In 2022–23, health spending accounted for 9.9% of GDP, approximately 0.5% lower than in 2021–22. Of this, the Australian Government contributed 40.2%, State and territory governments contributed 30.6%, non-government sources funding the remaining 29.2%. The Government desire is to not significantly increase the proportion provided to health.



#### IGR projected Health Spend into 2063 (as at 2023)

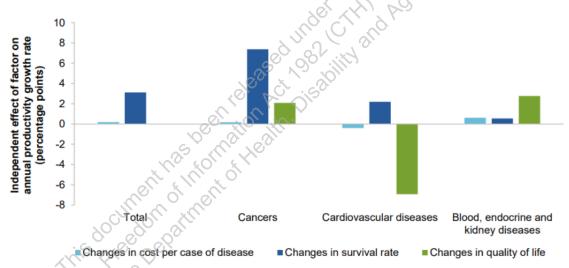
Note: Real dollars refers to 2022–23 prices. Source: Treasury.

- The vast majority of Health expenditure is treated as demand driven, however discretion remains Just over 80 per cent of health care spending is driven by demographic and other factors, including health service demand and new technologies (for example: new medications on the PBS). However there remains discretion that the Minister can exercise, including the Commonwealth contribution made to the Hospital System. Similarly, decisions to extend the SIF allowance of up to \$50 million will support discretionary spending in the health portfolio.
- This will also be a time requiring some tough decisions on spending, with continually increasing demands on the health dollar, and with international forces driving

considerable economic turbulence. This will mean that prioritisation should occur at every level.

#### System Productivity

- 2024 Productivity Commission research suggests that parts of the healthcare sector experienced robust productivity growth up until the advent of COVID-19. Quality-adjusted productivity grew by about 3% per year across the subset of diseases studied.
- The most significant contributions to productivity growth in the healthcare sector have stemmed from delivering more effective healthcare services rather than doing more with less. Quality improvements, not cost reductions, were the primary drivers of productivity growth. Productivity growth has been particularly strong in the treatment of cancers, suggesting that advancements in treatments, rather than across-the-board healthcare reforms, have been the major drivers of growth. Despite significant progress in saving lives, there have been fewer gains in improving the quality of life.



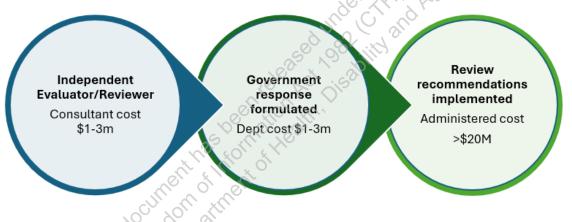
#### Changes in survival rate underpinned most of the productivity growth

 a. These independent effects do not exactly sum to the overall productivity growth rate because quantitatively minor interactions between the three factors also influence healthcare productivity growth.
 Source: Productivity Commission estimates.

- Australia's relatively good performance in healthcare should not lead to complacency. Although welcome, quality-driven productivity improvements have done little to ease healthcare's growing fiscal burden. The ageing population, societal expectations, and the chronic disease burden necessitate healthcare reforms.
- Improving Productivity is implicit in many of the policies you have adopted, and have committed to address in your next term including:
  - Ensuring the workforce works to its full scope of practice;
  - The recommendations of the HTA review and its improving approval processes for pharmaceuticals and medical technologies to boost productivity growth;
  - Leveraging digital technology and identifying cost-saving measures alongside quality improvements; and
  - Reducing risk factors like obesity and excessive alcohol consumption to enhance healthcare efficiency.

#### Even more doing, less reviewing

- In your first term, more than 70 reviews were commissioned, consulted-on or published. These include landmark reform papers have the potential to reshape how healthcare in deliver in our country, for example the 'Unleashing the Potential of our Health Workforce' Review, the HTA Review, and the 'Working Better for Medicare' Review. There are a number of major Strategies still in development, including the National Health and Medical Research Strategy.
- With each Review, stakeholder expectations continue to rise. There is an expectation that government will adopt all recommendations of these reviews. The HTA Review alone, contained 50 recommendations for government for reform, many with significant implementation cost.
- Reviews often absorb significant time, ministerial and departmental resources, which may be drawn from areas delivering on your commitments. The costs of reviews are not limited to the consultant costs, but also to flow on departmental and administered costs. The department will experience a 6-10% decrease in internal resourcing from 1 July 2025, with further decreases expected in 2026-27.

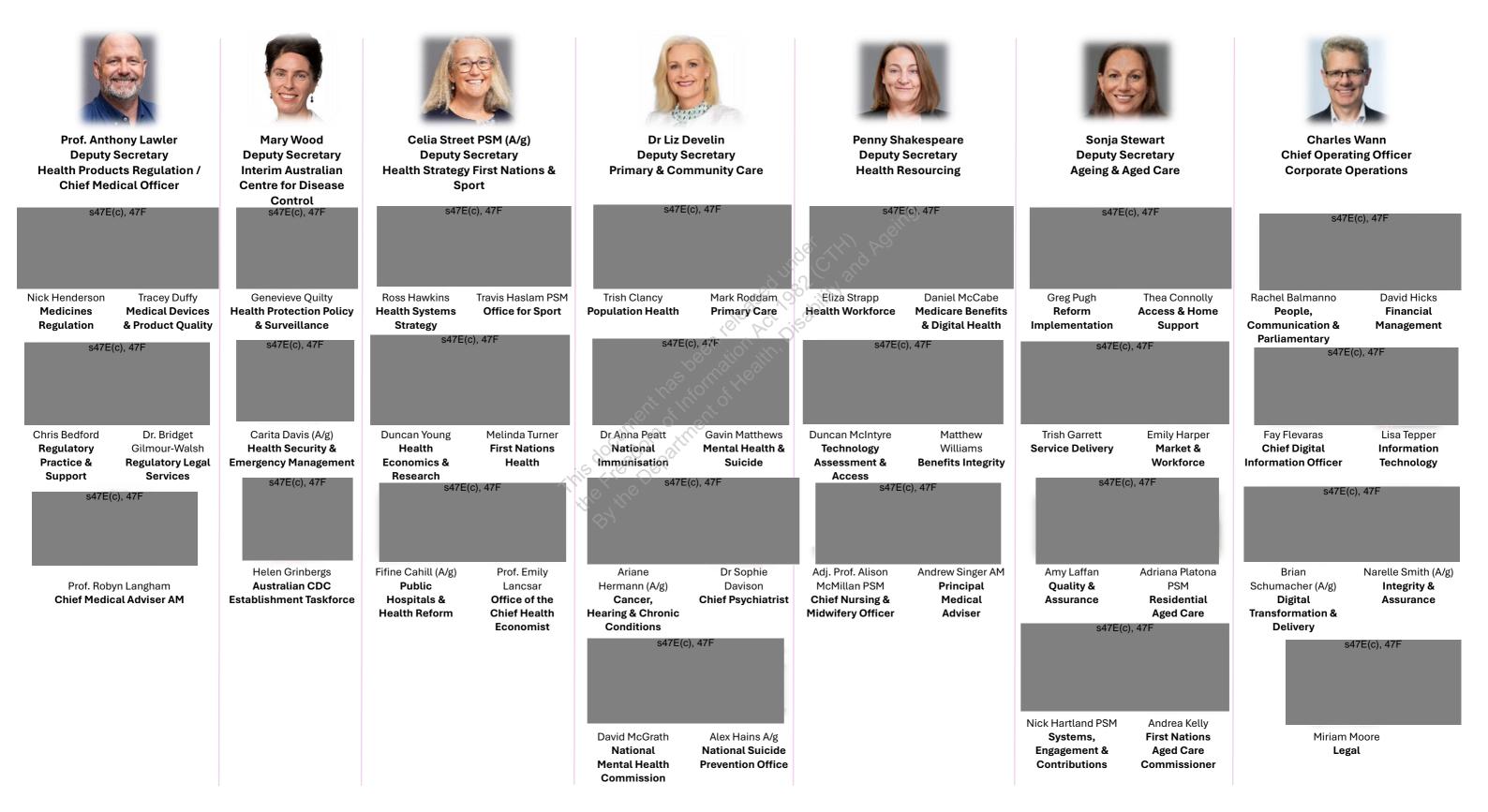


- There are ultimately three key reasons why a government commits to undertake a review. To:
  - **Inform** and create and evidence base with which government can best understand where best to intervene with policy.
  - **Empower** government to undertake significant reform through establishing a mutually agreed way forward.
  - **Defer** action to align timing with key decision points for Government.
- The work of the first term gives a strong foundation of robust information, a strong mandate for reform, and the time has come to deliver on priority commitments.
- There will be reviews that make sense where there is a compelling case due to one or more of the three motivations, but the bar should be set high.
- I would suggest that "Even more doing, less reviewing" would be a good mindset for this term.
- You have set out a clear and ambitious reform agenda for your second term, and it is critical that the Department focuses the bulk of making your commitments real.
- Your incoming government brief outlines practical steps to address the key challenges of the health system. Each section includes a timeline that clearly states when we will deliver key activities and when we will need to seek decisions from you to ensure timely delivery.

# Health and Aged Care Organisational Chart



Blair Comley PSM Secretary



# Portfolio Agency Heads and Statutory Office Holders



Ms Elizabeth

Hefren-Webb

Commissioner

Dr Zoran Bolevich

**Chief Executive** 

Officer

Aged Care Quality and Safety Commission The Commission is the primary point of contact for the quality of aged care services. Ms Hefren-Webb was appointed as the inaugural Commissioner in January 2025.

Australian Institute of Health and Welfare

The AIHW is an independent statutory Australian

Government agency producing authoritative and

Dr Bolevich was appointed as CEO in June 2024.

accessible information and statistics to inform and

support better policy and service delivery decisions,

leading to better health and wellbeing of Australians.

www.agedcarequality.gov.au

www.aihw.gov.au



Duggan **Chief Executive** Officer



Dr Gillian Hirth **Chief Executive** Officer



Cancer Australia Cancer Australia aims to reduce the impact of cancer, address disparities and improve outcomes for people affected by cancer by leading and coordinating national, evidence-based interventions across the continuum of care. Professor Keefe was appointed CEO in July 2019 and reappointed in 2022. www.canceraustralia.gov.au

Professor Dorothy Keefe PSM MD **Chief Executive** Officer



National Blood Authority The NBA provides and promotes adequate, safe, secure and affordable supply of blood products, blood-related products and blood-related services. Mr Cahill was appointed as CEO in October 2016. www.blood.gov.au

Mr John Cahill **Chief Executive** Officer



Dr Raj Bhula Gene Technology Regulator



specific responsibility to protect the health and safety of people, and to protect the environment from any risks posed by gene technology. Dr Bhula was appointed as the Gene Technology Regulator in July 2016. www.ogtr.gov.au



Professor Jenny Mav Commissioner



Cuthbert **Chief Executive** Officer



Mr Shannon White

**Chief Executive** Officer

Office of the National Rural Health

2022.

Commissioner The Office of the NRHC leads work to improve rural health policies and ensure there remains a strong focus on the health needs of rural communities. Professor May was appointed as the Commissioner in September 2024. www.health.gov.au

AM

Australian Commission on Safety and

Quality in Health Care

The Commission's purpose is to contribute to better

health outcomes and experiences for all patients

sustainability in the health system by leading and

coordinating national improvements in the safety

Australian Radiation Protection and Nuclear

Safety Agency

authority on radiation protection and nuclear safety.

ARPANSA is the Australian Government's primary

ARPANSA regulates Commonwealth entities that

protecting people and the environment from the

harmful effects of radiation. Dr Hirth was appointed

Food Standards Australia and New Zealand

FSANZ develops and administers the Australia New

Zealand Food Standards Code and is responsible

for labelling both packaged and unpackaged food,

including specific mandatory warnings or advisory

labels. Dr Cuthbert was appointed as CEO in March

National Health Funding Body

responsibilities of the Administrator through best

practice administration of public hospital funding.

Mr White was appointed as CEO in April 2018.

The NHFB supports the obligations and

www.publichospitalfunding.gov.au

use or produce radiation with the objective of

and quality of health care. Conjoint Professor

Duggan was appointed CEO in March 2023.

and consumers and improve value and

www.safetyandquality.gov.au

as CEO in March 2022.

www.foodstandards.gov.au

www.arpansa.gov.au





**Chief Executive** Officer



Informat

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improve organ and tissue donation so more Australians have access to a transplant. Ms Barry was appointed as CEO in September 2021 and reappointed in 2021.

www.donatelife.gov.au



Ms Amanda Cattermole PSM **Chief Executive** Officer



Mr Kieren Perkins OAM **Chief Executive** Officer

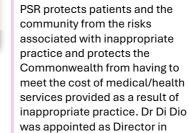


Professor Michael Pervan **Chief Executive** Officer



Wesselingh

Dr Antonio Di Dio Director



was appointed as Director in September 2022. www.psr.gov.au



Australian Digital Health Agency

The ADHA's role is to provide digital innovation and

healthcare system. Ms Cattermole was appointed

connection as part of a modern, accessible

CEO in September 2020.

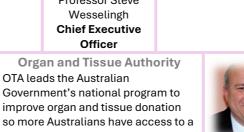
www.digitalhealth.gov.au

Independent Health and Aged Care Pricing Authority IHACPA's primary function is to enable activitybased funding for Australian public hospital services. Professor Pervan was appointed as CEO in February 2023.

www.ihacpa.gov.au

National Health and Medical Research Council NHMRC provides policy makers, healthcare professionals and communities with the information they need to prevent disease, prolong life and promote health for all Australians. Mr Wesselingh was appointed as CEO in August 2023. www.nhmrc.gov.au

Professor Steve **Chief Executive** Officer





Mr Graeme Barden Executive Director



Ms Sue Hunt **Chief Executive** Officer



Ms Natalie Siegel-Brown Inspector-General



#### Dr Michelle Gallen **Chief Executive** Officer

#### **Professional Services**

Review



Dr Sarah Benson PSM Chief Executive Officer

Australian Industrial Chemicals

Introduction Scheme AICIS protects Australians and our environment by assessing the risks of importing or manufacturing (introducing) industrial chemicals and promoting their safe use. Mr Barden was appointed Executive Director in July 2021. www.industrialchemicals.gov.au

#### **Australian Sports Foundation** Limited

The ASF is a leading non-profit sports fundraising body that helps athletes. sporting clubs and organisations fundraise. Ms Hunt was appointed as CEO in September 2024. https://asf.org.au/

Office of the Inspector-General of Aged Care

OIGAC provides independent oversight to help transform the aged care system to better meet the diverse needs of older people in Australia. Ms Siegel-Brown was appointed as the Inspector-General in January 2025.

www.igac.gov.au

**National Sports Tribunal** The NST provides independent, costeffective dispute resolution services to sporting bodies, athletes and support personnel. Dr Gallen was appointed to as CEO in September 2023.

www.nationalsportstribunal.gov.au

#### Sport Integrity Australia

SIA offers a safe place for people to raise concerns about behaviour they've witnessed or experienced in sport. Dr Benson was appointed as CEO in March 2025. www.sportintegrality.gov.au

## **IGB** Navigation

To support you in your role, the department has prepared short briefing materials related to the Health and Aged Care portfolio. You will find an outline of how we can support delivery of the government's election commitments to improve the health and wellbeing of Australians. You will also find key information on critical decisions requiring your prompt consideration and a summary on the functions of your department and portfolio.

#### **Strategic Priorities**

- 1 Continuing to deliver key commitments
- 2 Strengthening Medicare Health Care is Affordable for Australia and Australians
- 3 Cheaper Medicines Australians have access to the best medicines, affordable, at the point of sale
- 4 Australia is attracting and retaining a health workforce, which is working to its full Scope of Practice
- 5 A simpler, fairer and more targeted mental health system
- 6 Closing the Gap on poor health outcomes for First Nations people

#### Portfolio Overview



Critical Decisions prior to 30 June 2025

- Critical Decisions
- o Critical Decisions: Grants
- o Critical Decisions: Appointments

#### Departmental Operations

- Financial Overview
- o Budget Overview
- o Workforce Profile



Establishing your office

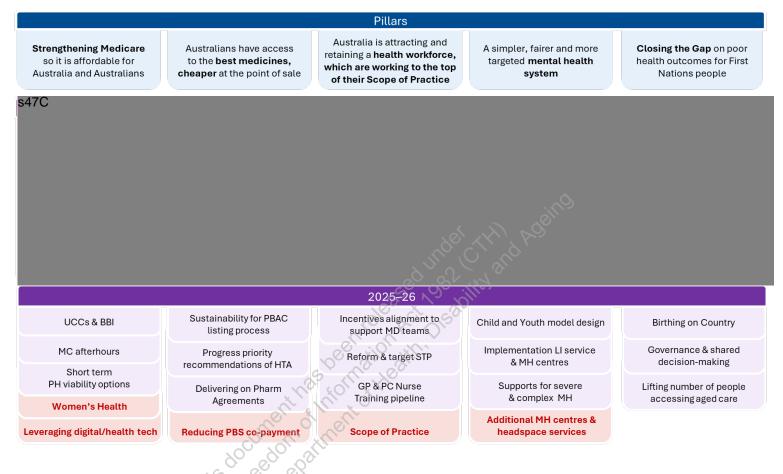
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# Strategic Priorities

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## Continuing to deliver on key commitments

In January 2025, we developed the below roadmap of your 5 key pillars, identifying short- and long-term objectives. Your most recent election commitments have been added as key deliverables in the first year of your new term.



In addition to your pillars and commitments, this new term will allow the department to continue progressing the foundations of reforms you established in the last term of government. This work will help build the health system of the future and includes:

- s47B, s47C
- embedding tobacco and vaping reforms
- establishing the Australian Centre for Disease Control as a statutory entity
- continuing progress on Sport Horizon
- implementing aged care reform.



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s47E(d), s47C This been the Department of Health, Disability

## **Embedding tobacco and vaping reforms**

What you have delivered: Legislation to regulate vapes as therapeutic goods Investment in education, compliance, enforcement, monitoring and evaluation	<ul> <li>What you will deliver:</li> <li>✓ Activities to combat illicit tobacco and novel nicotine products</li> <li>✓ Implementation of the new Public Health (Tobacco and Other Products) Act 2023 (1 July 2025)</li> <li>✓ Our Futures' vaping prevention education campaign in schools to target young people</li> </ul>	
Created Business Surrender Scheme for illegal vaping goods	Reduced Progress toward Ongoing	
Seizure of 8.3 million illicit vaping products	vaping particularly among youngNational Tobacco Strategy target of daily smoking prevalence of 5% or less by 2030action under the National Vaping Enforcemen Framework	l t

Illicit tobacco, vaping goods, and novel nicotine products are often traded together. Reducing their availability is crucial for effective tobacco control. Evidence indicates that Australia's illicit tobacco market is innovative, agile, and rapidly growing. The Australian Government response needs to be well positioned to meet these challenges.

Increasing tobacco costs through taxes is widely recognised as an effective government strategy to reduce tobacco consumption. As a result of tobacco excise increases, most tobacco prices in Australia align with World Health Organization recommendations.



Implementation, compliance and enforcement of the vaping and tobacco reforms will continue to be a focus. This will include the regulation of the lawful supply chain for therapeutic vapes through pharmacies.

Enhanced education and cessation measures are critical to support regulatory reforms and reduce demand for tobacco products, including illicit tobacco. The Our Futures Vaping Prevention Education Program, updated MyQuitBuddy app, s47C

## Critical next steps and decisions

#### Vaping

• The department continues to deliver the government's vaping reforms, including taking strong action against those profiting from the illicit market. Significant enforcement activity continued throughout April, including joint operations in New South Wales, Queensland, Victoria and Western Australia.

#### Tobacco

- States and territories will be funded (\$40 million over 2 years) to establish local level compliance and enforcement capability and strengthen cross-jurisdictional tactical partnerships to target illicit tobacco
- Capacity for compliance activity under the *Public Health (Tobacco and Other Products) Act 2023* (the Act) will be increased, including against illicit tobacco that does not comply with public health requirements such as plain packaging.
- From 1 July 2025, all products sold or supplied in Australia must comply with the new Act. Certain ingredients (including menthol) will be banned, new health messages will be printed on cigarette filters, and updated health warnings added on packaging. From 30 July 2025, manufacturers and importers will be required to report annually to government on ingredients, sales volume and marketing expenditure.

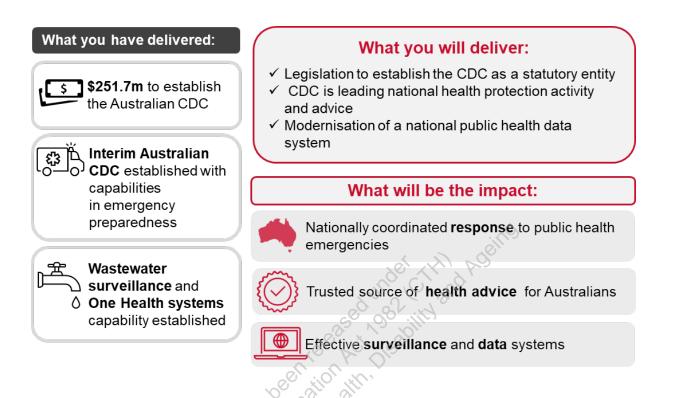
#### Novel nicotine products

- Novel nicotine products, such as nicotine pouches, risk increasing nicotine addiction in the community and have been increasingly identified in illicit supply chains. Experience with vaping has demonstrated the need for early action to prevent these products taking hold in the Australian market.
- s47C, s47E(d) Compliance action under

the *Therapeutic Goods* Act 1989 will also be strengthened to address novel nicotine products, building on the early success of the government's vaping reforms.



## Establishing the Australian Centre for Disease Control (CDC) as a statutory entity



An independent Australian CDC is set to be established on 1 January 2026. Establishing the following key areas within the CDC will ensure Australia is well equipped for any emerging public health issues or future outbreaks:

- **Pandemic Preparedness:** The CDC will enhance Australia's preparedness for future pandemics by serving as a central hub for disease management.
- Improved Health Surveillance: Enhanced surveillance, prevention, and response to diseases will help in early detection and management of health threats.
- **Data Coordination:** Facilitation of better data sharing and linkage across states and territories is crucial for effective public health interventions, ensuring decisions are informed by timely and consistent national data.

## Critical next steps and decisions

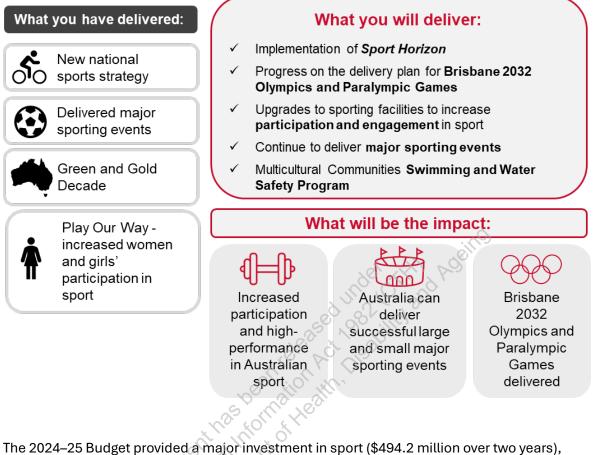
- Legislation to establish the CDC will need to be drafted and finalised quickly following the election. Introduction and passage during the 2025 Spring sittings will enable implementation on 1 January 2026.
- \$47C, \$47E(d)
- Changes to the Biosecurity Act will need approval from the Minister for Agriculture (as co-administrator of the Biosecurity Act) and then the Prime Minister by early June. The department will also seek your in-principle approval for proposed requirements to be placed on the Director General of the new CDC, to publish advice and provisions to support data sharing.

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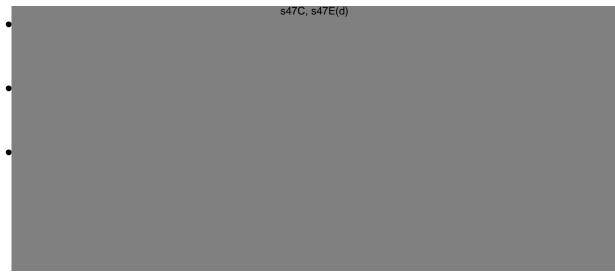


## **Continue progress on Sport Horizon**



The 2024–25 Budget provided a major investment in sport (\$494.2 million over two years), including record funding to support high performance athletes and para-athletes. Despite this, participation rates in sport and physical activity fall short of the level required to improve or maintain appropriate health outcomes for large sections of the community. Around 46% of Australian adults do not meet the Physical Activity Guidelines. Data also shows that while 90% of Australians have an interest in sport, only 40% participate in sport at least once a week.

## Critical next steps decisions

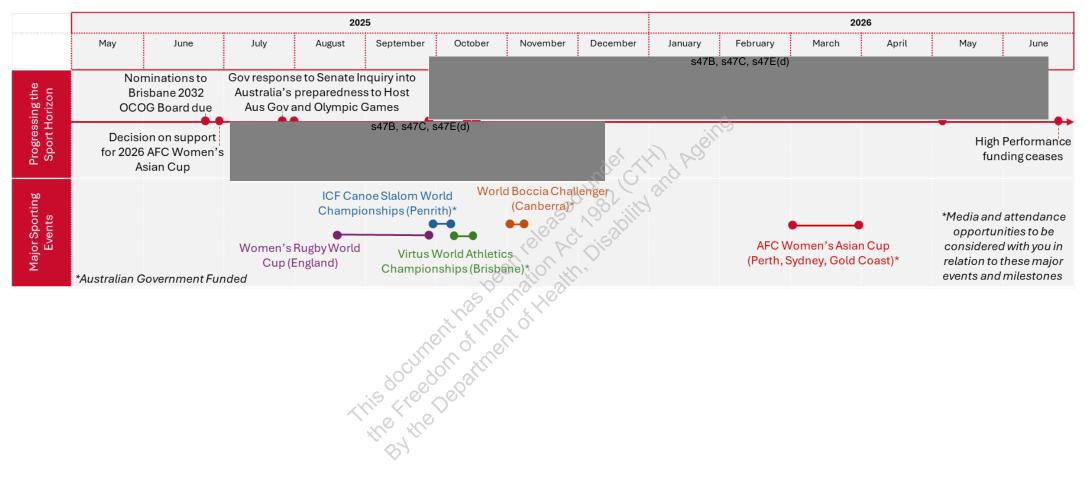


#### s47C, s47E(d)

• You have the opportunity to utilise the focus on sport to support preventive health interventions, reduce the prevalence of chronic disease, and improve mental health and wellbeing. This could be achieved in partnership the Australian Sports Commission and other stakeholders.

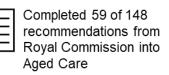
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## Timeline:



## Implementation of aged care reform

#### What you have delivered:



**\$17 billion for** wage increase aged care workers, 24/7 registered nursing in aged care homes

#### What you will deliver:

- ✓ Construction of residential aged care facility with 120 beds in Darwin
- ✓ Support at Home Program (implementation 1 July 2025)
- ✓ Core digital and ICT functionality further enhancements delivered progressively thereafter
- ✓ \$10 million to deliver respite aged care beds in Canberra
- ✓ \$150,000 for backup power at Maurice Zeffert aged care facility in Perth

#### What will be the impact:

Effective aged care **regulatory model** ensuring quality and safety of care

Enhanced high quality person-centered aged care

A valued aged care workforce with the right skills and knowledge

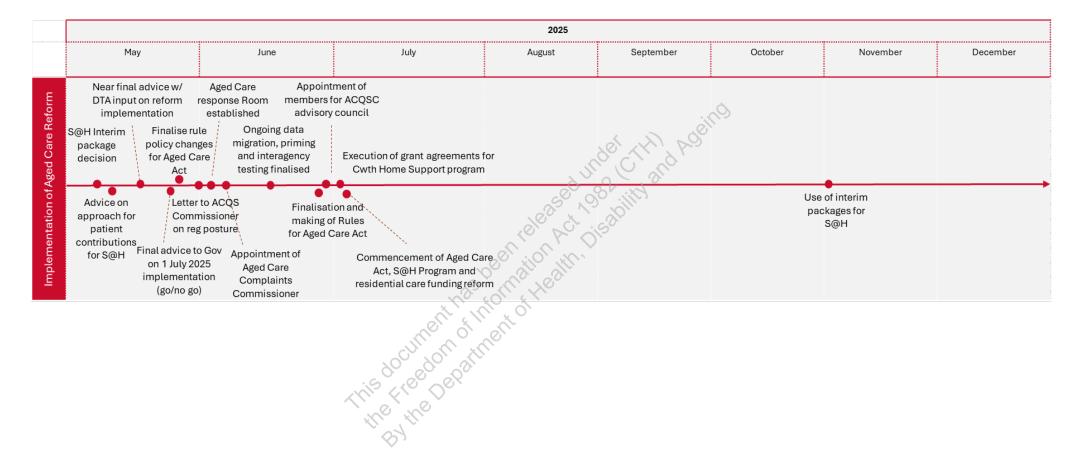
## Critical next steps and decisions

- The department is preparing advice for your consideration in the week of 19 May 2025 on whether the 1 July 2025 start date for the *Aged Care Act 2024* (the Act), the Support at Home Program and related reforms is achievable. You will need to consider and provide advice (likely to Cabinet) in time for the final decision date of 28 May 2025. A deferred commencement date of the Act can be achieved through proclamation if needed.
- External readiness for the Act is being closely monitored. The aged care sector supports the reforms, but some providers are seeking a longer implementation and transition timeframe. While some providers will be ready, others have requested a significant delay beyond 1 July 2025.
- Internal readiness is also being closely monitored, including the ability of the department, Services Australia, and the Aged Care Quality and Safety Commission to be ready for the 1 July 2025 start date.
- The Aged Care Transition Taskforce has been established to guide transition.
- The work of the taskforce continued throughout the caretaker period and a progress update on its work will be provided to you.

- The underpinning ICT system required to support implementation is subject to independent assurance commissioned by the Digital Transformation Agency (DTA). The department has worked closely with DTA and has reached a level of mutual alignment on key issues. The latest assurance advice is that delivery confidence remains medium-low as significant risks in some areas remain. This is not unexpected in a program of reform of this size.
- We will brief you on additional aged care issues that require decision, following the decision on the start date of the Act.

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### Timeline:

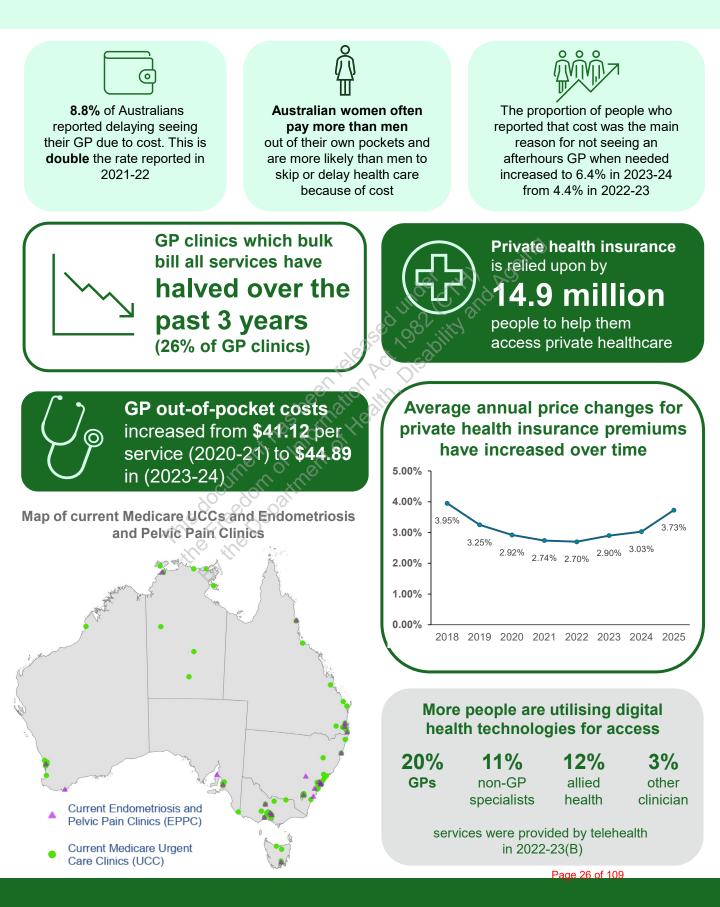


## Strengthening Medicare

#### Health care is affordable for Australia and Australians

# 5

### Many Australians are delaying medical care due to cost



## **Deliver more bulk billing for all Australians**

#### What you have delivered:

5

Tripled the bulk billing incentive (BBI) for under 16-year-olds and concession card holders

MyMedicare introduced to support rebates for telehealth consultations What you will deliver:
 ✓ \$7.9 billion to restore bulk billing
 What will be the impact:

An estimated, 9 in 10 GP services will be free and bulk billed Around 4,800 GP practices will be fully bulk billed – **triple** the current number \$859 million in savings for Australian patients and families each year

Increasing bulk billing rates can improve access to care and reduce long-term healthcare costs by preventing severe health issues and expensive treatments through early diagnosis and management.

Through the Bulk Billing Practice Incentive Program (the Program), participating practices who commit to bulk billing *all services* will receive an additional 12.5% incentive payment on every \$1 of Medicare Benefits Schedule (MBS) benefit earned from eligible services (www.health.gov.au/resources/publications/bulk-billing-practice-incentive-program-eligible-services), split between the GP and the practice.

# Critical next steps and decisions

- Amendments to the *Health Insurance (General Medical Services Table) Regulation 2021* are needed to expand eligibility for bulk billing incentives. Executive Council agreement to these amendments will be sought in early September and they will be part of the 1 November 2025 MBS changes. The changes will be included in an August ministerial submission for MBS regulation updates.
- Implementing the Bulk Billing Practice Incentive Program will leverage existing systems like MyMedicare and the Practice Incentives Program to encourage practices to provide the best care.
- The expenditure element of the Program will require amendments to the *Health Insurance Act 1973* or the establishment of a new legislative framework in relation to compliance. The department will provide options for these amendments for your approval in the first few months of your new term.
- You have announced that to participate in the Program, a practice needs to be a MyMedicare registered practice. The department will continue work to encourage practices to register their patients with MyMedicare (Phase 1).

- The department will:
  - provide legislative advice by 30 June 2025 to incorporate the Program incentive payments into the Health Insurance Act as a new part of Medicare. This will ensure ongoing certainty and enhance integrity by placing them under the legislated compliance regime.
  - brief you early in your term on policy options for the Program, including the 12.5% practice incentive split between GPs and practices.
     after consulting with practices and

representative bodies.

- work with Services Australia (SA) to deliver on the commitment to commence operation of the incentive by 1 November 2025. This may be affected by the timeframes for changes to the SA payment platform to support the Program.
- progress an education campaign for providers and the public about both the expansion of eligibility for bulk billing incentives and the Program.

## **Opportunities for reform**

- During the consultations some operators have offered to establish new fully bulk billing clinics that would operate in 'bulk billing deserts' like the Canberra and Hunter regions. Some of these have been the subject of specific election commitments, including the \$3.8m to maintain the Health Co-op clinic in Tuggeranong and the \$10.5 million Bulk Billing GP Attraction Initiative.
- The department has been developing options for implementing the new \$662 million primary care workforce measure in the 2025–26 Budget to direct more of the expanding registrar and trainee workforce to bulk billing clinics. We will seek your decisions on this before 30 June 2025 to ensure this can be incorporated into the rollout of the new measure.

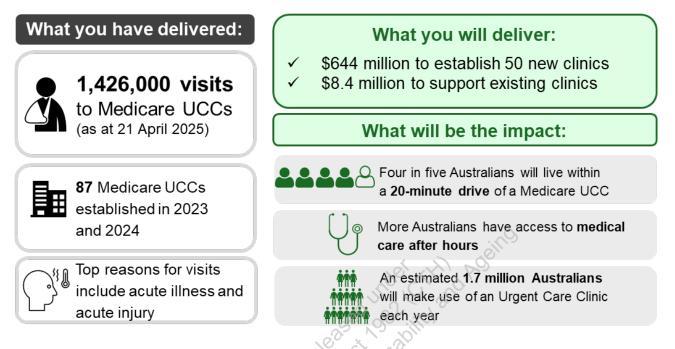
## Key considerations and challenges

- Some patients will still face out-of-pocket costs. The department estimates that 23% of clinics are unlikely to join the Program based on financial incentives. However, the Program may increase competition in the market and consumer demand for bulk billing, which may lead to higher uptake amongst these clinics.
- Amendments to the Health Insurance (General Medical Services Table) Regulation 2021 are needed to update the patient eligibility for the bulk billing incentives. The department will provide you with the draft legislative requirements to enable implementation from 1 November 2025.
- \$47B
- There is a risk that the percentage of the 12.5% incentive split between practices and providers is not considered a sufficient incentive for practices or providers to join the Program. The department has consulted with a range of practice groups and can provide you with detailed briefing about the views of practices, as well as the views of GP representative groups.

#### Timeline:

	2025								2026					
	May	June	July	August	September	October	November	December	January	February	March	April	May	June
r more bulk ng for all stralians	leg fi	on on options fo ramework or He ance Act amenc	ealth	Incentive	ng Practice e Program orised	Initiate educ campai					amer	r Health Insur ndments for P centive payme	ractice	
Deliver more bul billing for all Australians			Min Sub for regulation up	dates the l	mendments to Health Insurai Regs via EXCO	nce and Prac	hsion of BBI ctice Incentive ram starts	, Jor Th	nd Agein	9				
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## Open more Medicare Urgent Care Clinics (Medicare UCCs)



Medicare UCCs provide free and equitable access to urgent care to all population groups as they need it. They have become a vital part of the health system. They complement the government's significant investment in bulk billing incentives by supporting Australians to access fully bulk billed and quality health care.

In addition to the 50 new clinics, funding has been allocated to extend the operating hours or workforce of a number of existing clinics and to extend MBS billing for some Victorian state-funded urgent care services.

# Critical next steps and decisions

• The new Medicare UCCs will be progressively established from 1 July 2025, with all additional clinics open by 30 June 2026. Contracts for the new clinics will be offered for three years until 30 June 2028.

•	s47C, s47E(d)					
•	s47B					

- The department will:
  - finalise variations to existing Medicare UCC Schedules to the FFA as per your election announcements with relevant state and territory governments.
     Once negotiations are complete, the department will seek approval and execution by you and the relevant state or territory.
  - initiate negotiations on the additional operational funding that was announced for some of the existing Medicare UCCs. Funding would be delivered through a variation to the existing Medicare UCC Primary Health Network (PHN) Schedule or FFA between the department and the relevant service commissioner.



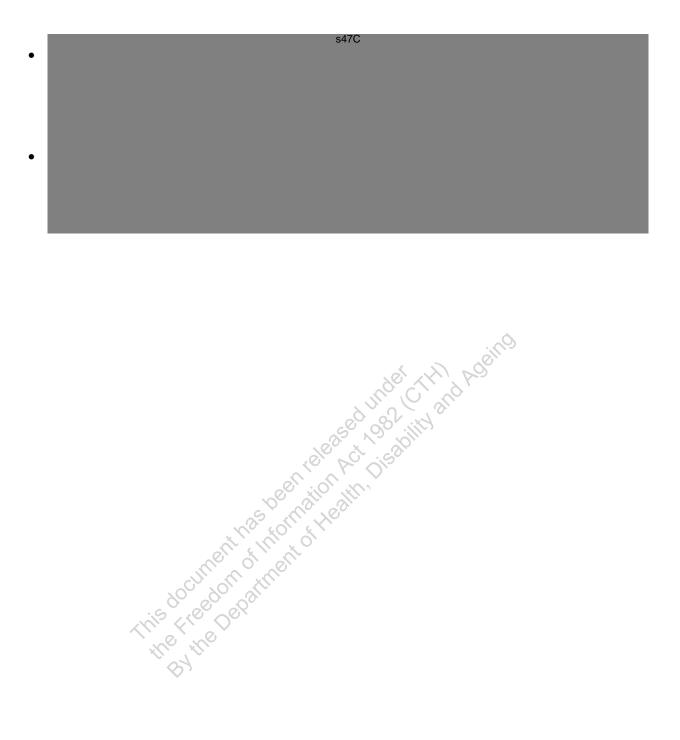
## **Opportunities for reform**

- •
- Early consultations with state and territory governments on expanding junior doctor training in primary care have indicated they prefer to send senior international doctors (hospital non-specialists) into primary care rotations, which doesn't align with the junior doctor training program's objective. However, this does present an opportunity to utilise the growing hospital non-specialist workforce to support the expansion of Medicare UCCs if we redesign workforce models and funding arrangements, as non-specialist doctors attract lower Medicare rebates.

## Key considerations and challenges

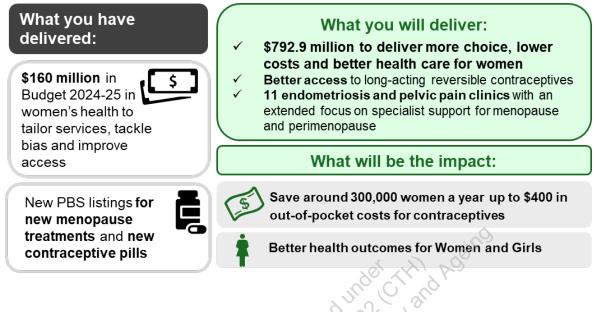
- the s47C
- The department has commissioned Nous Group to conduct an evaluation of the program's success and cost-effectiveness. The final report is due in 2026.
- The department will prioritise resources to ensure delivery of this election commitment. The department will need the full 2025–26 financial year for the implementation of 50 new clinics, given the scale of the expansion.







## Investing in women's health



The government is investing \$792.9 million over five years from 2024–25 to improve health care access and affordability for women. This package includes measures which improve contraceptive choice, provide more support for menopause and perimenopause, and enhance endometriosis care. Implementation of these measures is a priority to ensure better health outcomes for women and girls.

## Critical next steps and decisions

- Long Acting Reversible Contraceptive (LARC) MBS fee changes come into effect from 1 November 2025. LARC Centres of Excellence, including Training Excellence, will be established in each region and managed via PHNs. The centres are expected to be delivered by 1 July 2026.
- Measures to increase access to education and training on perimenopause and menopause will support a nationally consistent approach to care for women. A public health campaign will be run from mid-2026 to help raise awareness and increase understanding of perimenopause and menopause symptoms and management options.
- We anticipate that the 11 new Endometriosis and Pelvic Pain Clinics (EPPCs) will be implemented in October 2025. Consultations with PHNs on the locations of the new EPPCs will commence on 1 July 2025. It is anticipated the clinics will be located in areas that do not have access to existing EPPCs. Your office will receive regular updates on the establishment process.
- Extension of funding for the existing 22 EPPCs will begin from 1 July 2026 in consultation with relevant PHNs, including the expansion of services to perimenopause and menopause.
- Evaluation of the current endometriosis clinics to examine if the clinics are achieving their key objectives has begun, with the final report due in late July 2025.

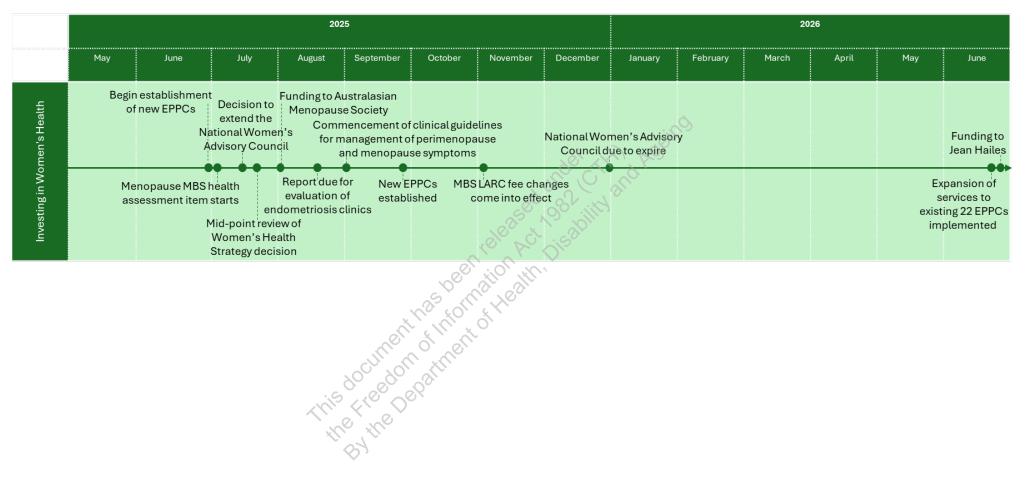
## **Opportunities for reform**

- The National Women's Health Advisory Council has provided advice on implementation of the National Women's Health Strategy (2020–2030) (the Strategy). This includes priority issues facing the health of women and girls in Australia, including the extent and impact of gender bias in the health system.
- The Council is due to expire in December 2025. The department will seek your advice by July 2025 to determine if you would like to extend its term.
- The Strategy includes a mid-point review to ensure its effectiveness. A decision will need to be made on progressing the review.

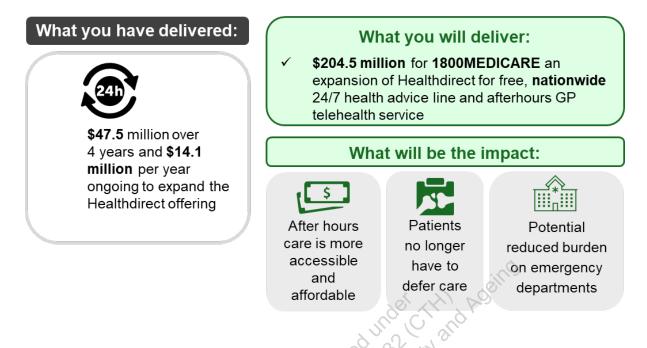
## Key considerations and challenges

- An evaluation of the existing 22 EPPCs was funded through the 2022–23 Budget measure Women's Health Package and is underway. The evaluation is anticipated to be completed by August 2025. The evaluation is anticipated to inform better data collection, monitoring and evaluation of the program into the future.
- We will need to manage stakeholder expectations while developing and implementing the menopause measures given varying views and to avoid further misinformation on management and treatment options.
- The LARC MBS fee incentivises no-cost services for patients. Providers may still elect to charge additional out-of-pocket costs, especially in complex cases requiring sedation or other interventions, such as for endometricosis and pelvic pain.

## Timeline:



# **Improving Medicare After Hours**



After-hours care provides primary care services outside usual practice hours, aiming to reduce hospital emergency demand. Medicare UCCs complement the Medicare After Hours service to increase access to urgent primary care and reduce hospital visits. Medicare UCCs are not yet available nationwide, and barriers to accessing free after-hours care still exist.

The commitment to 1800MEDICARE will deliver a national, integrated nurse triaging and after-hours GP service for urgent care to ensure people can access care whenever and wherever they need it. 1800MEDICARE builds on the existing Health Information Advice service (HIAS) and After Hours GP services with a recognisable phone number, aims for nationwide consistency, and improves connections between the 24/7 nurse advisory service and virtual GP service.

# Critical next steps and decisions

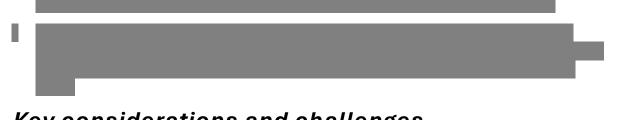
- The department will work with Healthdirect Shareholders (states and territories) to agree implementation arrangements, including:
  - o linking other strategic initiatives such as the National Front Door work tasked by Health



• The department will brief you on the development of an implementation plan by 10 June 2025. The next shareholders meeting is on 24 June 2025.

# Opportunities for reform

• Work will continue to progress agreed after-hours reforms as part of the Primary Care and Workforce Reviews Taskforce. This will include development of a new after-hours payment and urgent care framework in 2025–26. \$47C, \$47E(d)



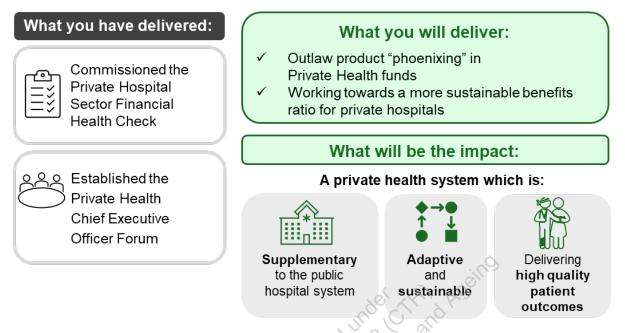
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s47C, s47E(d)

# Ensuring private health system viability

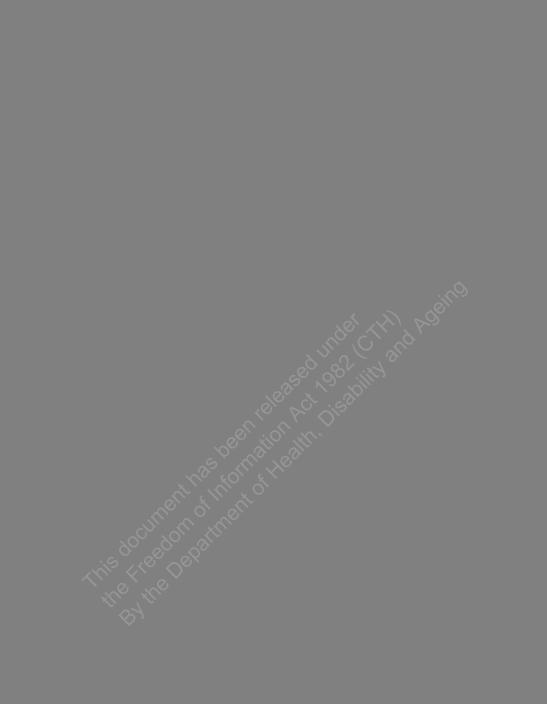


The private hospital sector is an important part of the Australian health system, delivering more than 70% of elective surgery and a significant volume of other services. It offers patients choice and provides the public hospital sector with additional capacity. Ensuring the longer-term sustainability of the system requires consistent and considered reform.

# Critical next steps and decisions

- The department has been developing an integrated approach to private sector reform. We would like to brief you as soon as possible to get your guidance on the proposed reform strategy. Subject to your approval, this would allow us to take a package of reforms for consultation to the Private Health Chief Executive Officer Forum (CEO Forum) on 13 June.
- This strategy work encompasses some of the short-term proposals that have been discussed at the CEO Forum in December and are further advanced in sector consultations.
- You directed the department to consider the current arrangements associated with the benefits ratio. The department has held discussions with insurers to ask them for a detailed explanation of their benefits ratio projections, underpinning assumptions and what they were doing beyond the traditional fee-for-service payments. We will brief you on insurer responses, potential regulatory options and a potential approach to the 2026 premium round.
- The department is working with the Private Health Insurance Ombudsman (PHIO) to better understand the size, scale and impact of product phoenixing activity by insurers. PHIO will provide their initial analysis on the extent of the issue by mid-May. This analysis will inform a proposed approach, which we will then brief you on. APRA are aware of the options being considered and will be engaged in the development of recommendations





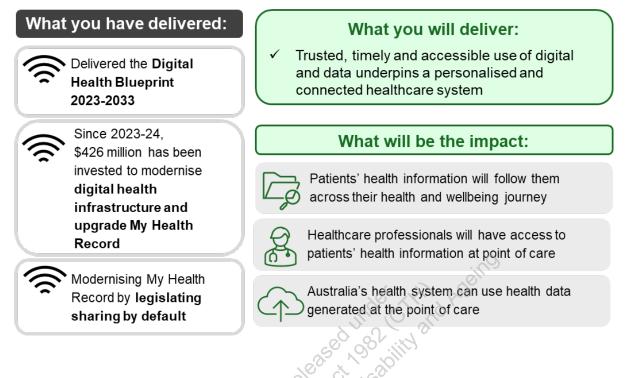
s47C

• s47C, s47G

s47C



# Leveraging digital and health technologies



Digital and health technologies are essential to supporting and delivering health care reform for Australians. The Digital Health Blueprint 2023–2033 identifies a roadmap to ensure that digital systems drive better care for all Australians. Part of this plan is to ensure a seamless healthcare experience and a connected health system through the safe and secure exchange of key patient information.

Ensuring consumers and providers have access to the information they need, when they need, will improve their experience and lead to better health outcomes. Opportunities exist to continue leveraging your previous reforms on information sharing and service integration through digital technologies.

# Critical next steps and decisions

- Your approval will be sought by mid-2025 to initiate stakeholder consultation on the Share by Default rules for pathology and diagnostic imaging providers.
- We will brief you on opportunities to expand the My Health Record mandate to include medicines and chronic conditions planning information. Consultation will be undertaken to inform timelines and ensure healthcare providers and consumers are prepared for and can inform any changes.
- The government has funded the operation of the My Health Record system through 2025–26. We will seek your agreement on strategies in mid-2025 to finalise the modernisation of My Health Record and secure ongoing funding.
- Data breaches undermine trust for Australians with respect to the security of their personal information. We will provide advice for your consideration in mid-2025 on how the department could improve cyber resilience across Australia's health system.

• Proposed legislative reform to the *Healthcare Identifiers Act 2010* will extend healthcare identifier access to non-healthcare professionals such as aged care and disability support services, supporting information sharing across care settings. Subject to your agreement, legislative reforms will be progressively implemented by the end of 2025.

s47C, s47E(d)

Key considerations and challenges

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- Enforcement of penalties and conditional Medicare payments will only begin once the rules start, to support the transition to the new Sharing by Default arrangements. There will also be an initial grace period once the rules have been made.
- Labour shortages are a key risk for digital and ICT projects. There is extensive health and aged care reform impacting work across the department, SA and the Australian Digital Health Agency in the next two years. Securing core skills and expertise needed to deliver on programs continues to be a challenge.
- The department, Services Australia and the Australian Digital Health Agency are jointly developing the strategy to unify health provider digital identity and authentication. s47C

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# Timeline:

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	May	June	July	August	September	October	November	December	January	February	March	April	May	June
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# Election commitments to build capacity and access to services

- \$150 million investment into Flinders HealthCARE Centre. This investment would open up 10,000 health appointments and see 1,300 additional health professionals graduate across a range of fields each year.
- \$200 million contribution to the St John God of Midland Public Hospital upgrade, delivering additional hospital beds, operating theatres, ICU and neonatal care beds and a redesign of the obstetrics and neonatal unit.
- \$8 million to deliver a new healthcare hub for Burnie, expected to host a wide range of health services including general practice, pharmacy, women's health, imaging, pathology and legal services.
- \$120 million to deliver a birthing service at Rouse Hill Hospital, including birthing rooms, a maternity inpatient unit and additional staffing areas. This is in addition to the existing plan to have post and pre-natal maternity services at the new hospital.
- \$2.6 million to Street Side Medics, to expand and continue in current locations. Steet Side Medics is a free mobile GP service that provides health services to people experiencing homelessness across New South Wales and Victoria.
- \$80 million, in collaboration with the NSW Government, to expand the emergency department at Fairfield Hospital. This expansion will offer more clinical and support floor space, including general treatment areas and specific clinical spaces such as Emergency Department short stay, paediatric emergency treatment spaces, and increased adult and paediatric emergency resuscitation capacity.
- \$10 million to build a new Health and Housing Clinic which will provide free health care to people most in need in Brisbane's West End. The funding is contingent on finalising the land transfer agreement with the Queensland Government.
- \$2 million to support health promotion in Northern Queensland. The funding is intended to improve skin and breast cancer screening and eye and ear checks.
- \$4.5 million over 3 years has been committed to FightMND to allow scaling up of their operations enabling them to raise more awareness and to support vital research and care projects.
- \$3 million has been invested over 3 years to support Maddie Riewoldt's Vision for better research, advocacy and support for Australians with Bone Marrow Failure Syndromes and their families.
- \$2 million to the Leichardt Women's Community Health Centre to redesign and upgrade its facilities, including the provision of more counselling rooms. The Centre provides health services, support and education to marginalised and financially disadvantaged women, including those experiencing domestic violence.

# Critical next steps and decisions

• Policy authority and funding for these measures will be sought through a government approval process. The department will brief you further on options for delivery across these election commitments. We will advise you on any key considerations or sensitivities which may be relevant.

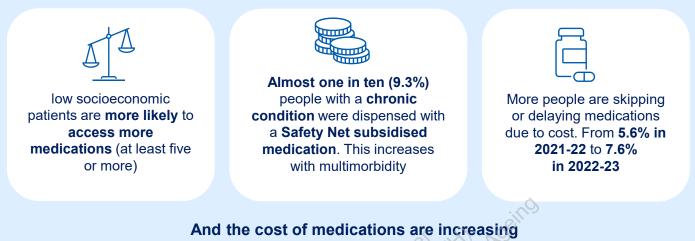
# Cheaper Medicines<sub>FOI 25-0484 LD - Document 1</sub>

Australians have access to the best medicines, affordable, at the point of sale

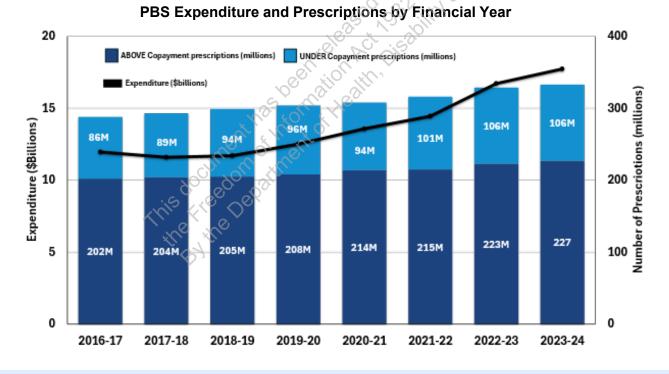


### Most people utilise the PBS.

Almost seven in ten (68.6%) people, interviewed as part of the National Health Survey, were dispensed at least one PBS medication within a one-year period



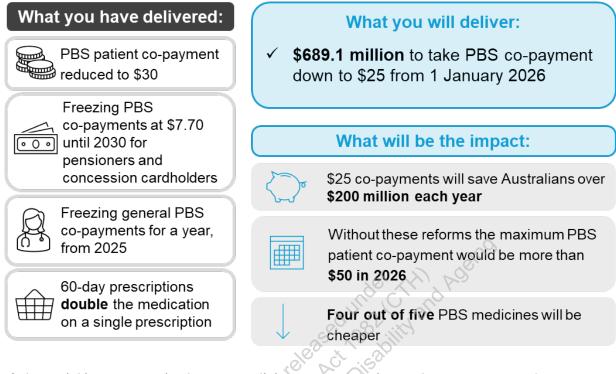
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The median time for HTA decision making and reimbursement of pharmaceuticals in Australia



# Make medicines even cheaper



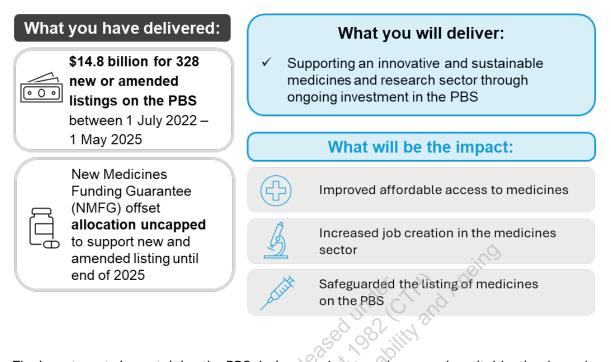
Substantial investments in cheaper medicines were made in your last term to ease the cost-of-living burden and provide consumers significant savings on their Pharmaceutical Benefits Scheme (PBS) medicines. The department continues to implement these priorities.

# Critical next steps and decisions

- The department has continued work to amend legislation to implement the maximum general patient PBS co-payment reduction, enabling it to start on 1 January 2026.
- Over the 2 years following implementation, the department will evaluate how this measure reduces cost-related nonadherence to PBS medicines. We will analyse data on patient characteristics, including demographics, geographical location, and socio-economic status for general patients.
- The department has implemented all stages of your 2023–24 budget commitment to introduce 60-day prescriptions. The Pharmaceutical Benefits Advisory Committee (PBAC) will review more medicines for 60-day prescriptions and update the PBS accordingly.
   For example, some medicines recommended by PBAC for 60-day prescriptions are currently unavailable due to pre-existing shortages but will be considered for inclusion later.
- Options to address issues with the current operation of the PBS Safety Net, including options to implement a digital PBS Safety Net are being developed. Potential solutions would automatically capture eligible prescriptions and update patients' Safety Net status via a myGov digital service. Subject to your consideration, the department would seek policy authority and funding through a future budget context.

s42, s47C, s47E(d)

# Ensuring ongoing sustainability of the PBS



The investments in sustaining the PBS during your last term increased equitable, timely, and reliable access to essential medicines for Australians at an affordable price for both them and taxpayers. This term, the department will brief you on options for further investments to support the PBS, such as investments in the New Medicines Funding Guarantee (NMFG) and options for cost recovery for PBAC, Medical Services Advisory Committee (MSAC) and Stoma Appliance Scheme.

# Critical next steps and decisions

- s47C, s47E(d)
- The department is continuing to quantify savings derived from statutory price reductions, to offset proposed changes to the NMFG, as requested by the Department of Finance. This includes options to reinvest all statutory price reductions into the NMFG. Statutory price reductions play a critical role in maintaining the sustainability of the PBS. Price disclosure, for example, has produced savings of around \$27.9 billion, since 2007. However, not all of the price disclosure savings have been reinvested into the PBS.
- Cost recovery resources are needed to meet the government's commitment to reduce the time taken to list medicines on the PBS and produce sustainable funding for PBAC, MSAC and Stoma Appliance Scheme assessments.

s47C, s47E(d)

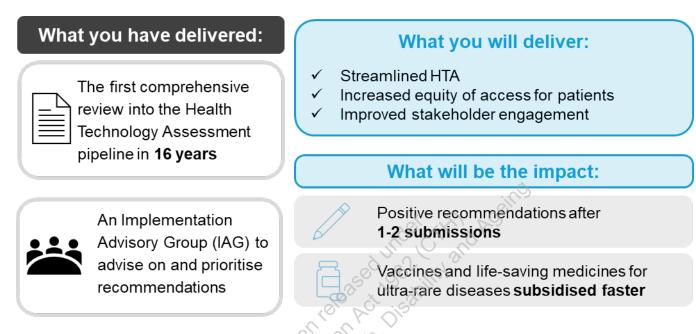
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Key Considerations and challenges



# Health Technology Assessment (HTA) is streamlined and fit-for-purpose



The HTA Review was a key commitment under the 2022–27 Strategic Agreement between the Australian government and Medicines Australia. This review presents a significant opportunity to reform Australia's approach to funding medicines and advanced therapies.

Following the HTA Review's final report, published on 10 September 2024, the Implementation Advisory Group (IAG) is considering priorities for implementation of its recommendations. The IAG's report and roadmap is due to you in early 2026.

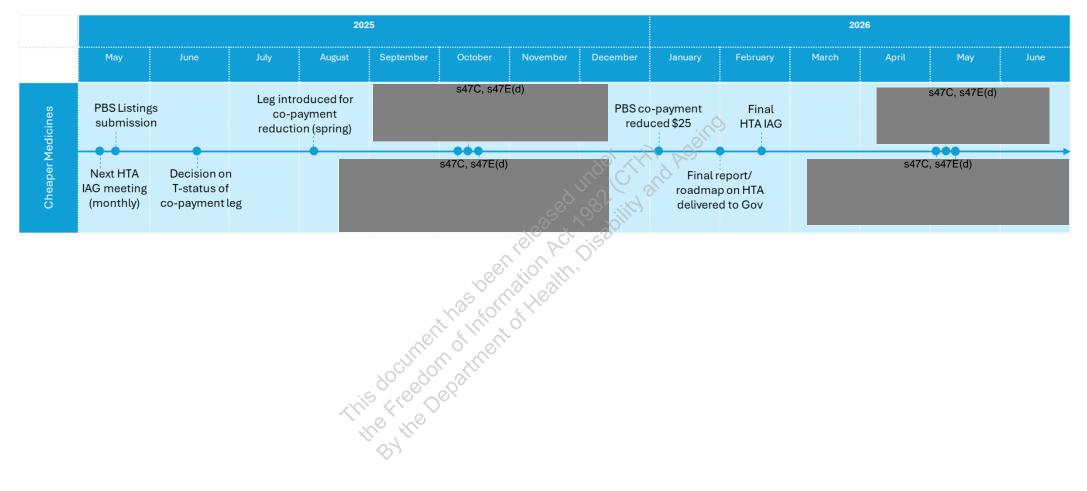
## Critical next steps and decisions

- The IAG will provide interim reports and advise you on:
  - the prioritisation of the HTA review recommendations
  - o a co-designed draft government response to the HTA review
  - o a roadmap for sequencing the government's response to the HTA review.
- IAG members will provide early advice on recommendations that align with your priorities. You may wish to establish an initial HTA Review implementation funding pool to support the early implementation of certain recommendations.
- Once the IAG finalises its report and you have agreed the sequencing of responses to HTA recommendations, an NPP could be developed for the 2026–27 budget process.

### Key considerations and challenges

• The HTA Review identified many reform options requiring significant government investment. Each recommendation needs a holistic review to avoid unintended policy impacts.

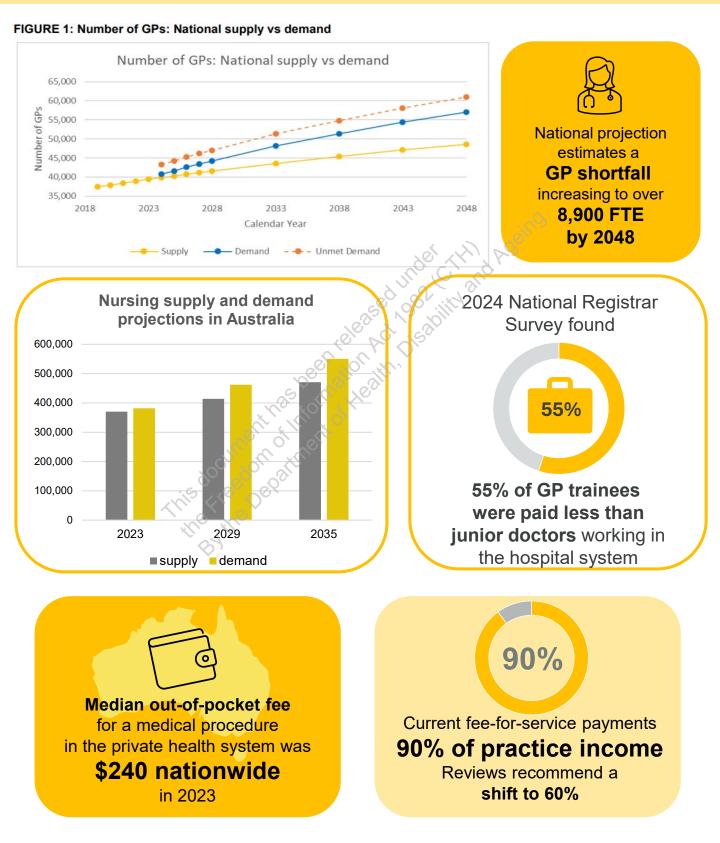
# Timeline:



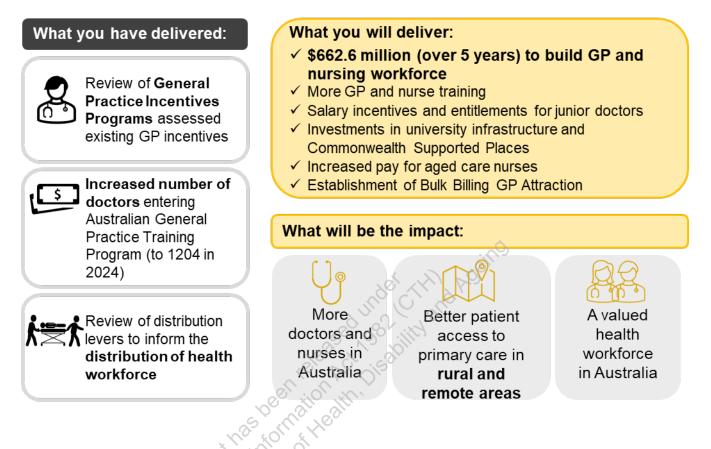
# Australia is attracting and retaining a health workforce, which is working to its full Scope of Practice



### To reduce the gap between health workforce supply and unmet demand, workforce training and service delivery models need to be reformed



# **Delivering more doctors and nurses**



Building and growing Australia's healthcare workforce will deliver more doctors and nurses and reduce the projected gap between supply and unmet demand. Strengthening and attracting a workforce in primary care will minimise downstream impacts to hospitals and provide primary care in areas of need, particularly in rural and regional Australia.

# Critical next steps and decisions

- Implementation of the 2025–26 budget package to attract and build a GP and nursing workforce is on track to commence January 2026 (refer to timeline below on specific milestones/decisions).
- Canberra currently has 20% fewer GPs per person than Sydney, Melbourne or Brisbane, so work will be undertaken to attract more GPs through your election commitments. The department will be working with the ACT Government to support:
  - establishment of more bulk billing clinics in the ACT (with \$10.5 million funding through your election commitment)
  - continued operation of the Tuggeranong Interchange Bulk Billing Clinic (\$3.8 million over 3 years)
  - the first-ever metropolitan trial of the Single Employer Model training initiative will be delivered using previous budget measure funding.
- Incentives for GP trainees including \$30,000 salary incentive, paid parental leave and study leave are on track for implementation from Semester 1 2026. The department is consulting

with Services Australia, training providers and other sector stakeholders to inform implementation and update IT systems to enable payment processing.

- Your commitment to invest in the mental health workforce by providing 1,200 training places for mental health professionals and peer workers will be critical in helping to address workforce shortages across the sector. The department will seek your advice on the specifics and the mix of initiatives to support the training places. This will include exploring opportunities to provide training placements within Medicare Mental Health Centres. s47C, s47E(d)
- We will seek your consideration of the Fair Work Commission's Nurses and Midwives Work Value Case, and Gender Undervaluation Review before 30 June 2025. The Gender Undervaluation Review found that a number of health professionals had been the subject of gender-based undervaluation and should receive staged wage increases through changes to those awards. A government response would need to be considered through a future budget process.

# Key considerations and challenges

 Departmental modelling shows we need to double GP training places to 3,100 by 2033. The 2025–26 budget will cover about a third of this gap. Other strategies include reforming care models to involve other health professionals. Collaboration with state and territory governments and education providers will address broader workforce shortages through the NHRA and Health Workforce Taskforce. This effort is crucial to prioritise health workforce development and ensure the health system's sustainability.



# Health professionals working to their full scope of practice

### What you have delivered:



Scope of Practice Review Final Report delivered

$\checkmark$
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**18 recommendations** to remove barriers impeding health professionals from practising to their full scope

### What you will deliver:

- ✓ \$90 million for 1200 mental health training places
- ✓ \$1.5 million for perimenopause/menopause training
- Scholarships to extend scope of practice for nurses and midwives
- \$1.3 million to extend Obstetrics and Gynaecological Education and Training Program
- ✓ Leadership, research, training and education for nurses

### What will be the impact:



Reduced barriers for health professionals to work to full Scope of Practice

Opportunities for progress towards a 60:40 blended funding model

Expanded multidisciplinary care

The Scope of Practice Review (the Review) explored critical areas for government action to redesign primary care as the core of an effective, modern health system. The Review found that almost all health professions in the primary care sector face some restrictions or barriers to working to their full scope of practice which are unrelated to their education and competence. Further, the Review drew on examples of multi-disciplinary teams where members were working to their full scope of practice to deliver best practice primary care. Supporting our health professions to work and develop their full scope of practice will build an adaptable, flexible and responsive primary care system. This will mean more effective use of health practitioners' extensive skills, greater job satisfaction for health practitioners, and better multidisciplinary and coordinated care for consumers.

# Critical next steps and decisions

• The Scope of Practice Review made significant and complex recommendations, including changes to primary care funding, cross-professional training, and legislation across Australian governments. To address these and other key reviews like Strengthening Medicare and Primary Care Incentives, the department is developing a coordinated reform agenda for your consideration in late 2025. A dedicated taskforce, with an external expert advisory committee, is working on this. They aim to sequence measures to improve support distribution in areas of need and encourage multidisciplinary team-based care in the primary care sector.

- A key recommendation from the Strengthening Medicare, Scope of Practice and the Primary Care Incentive reviews was to move towards a more blended payment model for primary care practices (Scope of Practice recommended moving to 60:40 fee for service from 90:10). This will support the delivery of multidisciplinary team care. As part of the work looking at moving to 60:40 funding arrangements, the department will be reviewing the sustainability of current funding sources. This work will consider options for repurposing existing funding and phasing out obsolete payments.
- Your agreement will be sought to implement Designated Registered Nurse Prescribing by amending Commonwealth legislation and processes to enable medicines prescribed by registered nurses to be subsidised by the PBS.
- To expand health professionals' education and training on perimenopause and menopause, the department will be working to raise awareness and provide access to training. More information on implementation of this commitment is provided in the Strengthening Medicare incoming government brief.
- To support your election commitment, the department will be seeking policy approval for a competitive grant opportunity in June 2025 to deliver a training program and voluntary accreditation program to improve access for LGBTIQA+ Australians. This program will upskill the existing workforce to ensure responsive and safe care for the LGBTIQA+ community. The program should be implemented in Q2 of 2026.
- The government has committed \$28 million over three years from 2025–26 to construct a Nursing and Midwifery Academy in Victoria, to be operated by the Epworth Medical Foundation. The department will be seeking your advice in May or June 2025 on implementation arrangements, s47E(d)
   Pending this advice, funding can be put in place in 2025–26.
- To implement your election commitment, the department will support the delivery of training to primary health care workers on providing high quality care for Australian men, and development of a campaign to encourage men to visit the doctor through a grant process. This measure will be delivered as a non-competitive grant opportunity offered to Movember to expand their Men in Mind program with an anticipated establishment of December 2025.

# Key considerations and challenges

- GP groups fear a loss of income and control from both blended funding and changes in the scope of practice of other professions.
- States and territories also have different risk appetites around who they will authorise to prescribe and administer medications and vaccines.
- Reforms will need to be developed through close engagement with stakeholders, with an emphasis on change management. To assist in managing this, the department has established an external expert panel, which is meeting monthly to assist the department to prepare advice on a response to the primary care reform reviews.

# Timeline:



# **Specialist fees**

### **Current concerns:**

Limited market competition causing increases in specialists fees

In early 2025, only 70 individual doctors displayed their fee information on Medical Costs Finder

### What you will deliver:

- ✓ \$7.0 million for mandatory publication of specialist's fees on the Medical Costs Finder
- Explore options for addressing high out of pocket expenses

### What will be the impact:

- Australians can afford to see a specialist when they need
- **S**
- Improved transparency in specialist fees via Medical Costs Finder

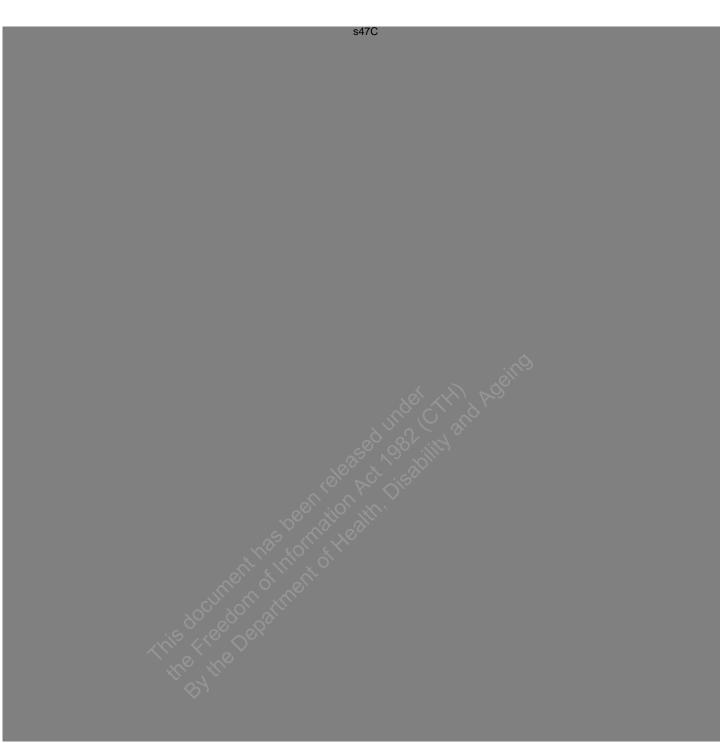
Patients can compare costs and make informed choices for their health care

s47C, s47E(d)

# Critical next steps and decisions

• The department is considering options for implementing mandatory requirements to the Medical Costs Finder (MCF) to display average fees charged for a service by every specialist compared to the national average for the service. Subject to passage of legislation to allow individual specialists' billing practices to be published, data sharing arrangements, IT build, and budget measure approval, we anticipate the MCF will be operational in the second half of 2026.

s47C

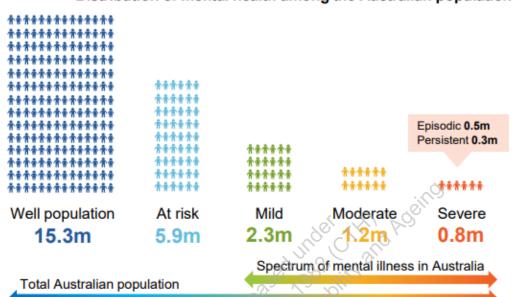


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Specialist fees	PCB appro legisl	ation				47C, s47E(d)							
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# A simpler, fairer and more targeted mental health system

Almost half of all adults will experience mental illness in their lifetime, and one in five will have experienced poor mental health in the previous 12 months



Distribution of mental health among the Australian population

Demand for services is outstripping supply and people with the highest need are missing out on support



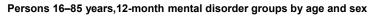
of people needing mental health support delayed or did not see a health professional due to cost with a mental health disorder: 45.1% 14.3% saw a mental health accessed services through

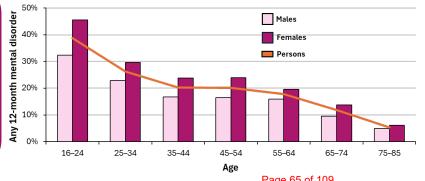
Of the 4.3 million Australians aged 16-85

professional in 2020-22 accessed services through digital technologies e.g. internet in 2020-22

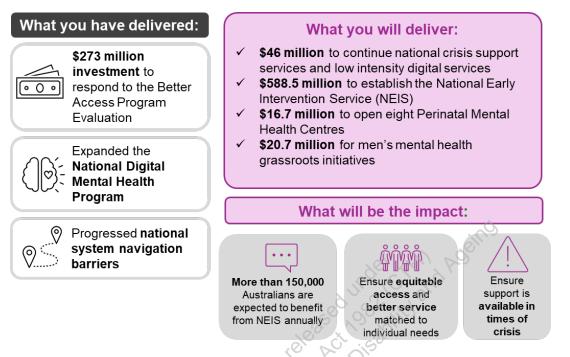
Young Australians have the highest rate of mental illness of any age demographic...

prevalence has risen by 50% between 2007 and 2022





# Establish affordable options along the care continuum



Reforms to the mental health system in your previous term focussed on aligning to the stepped continuum of care and filling critical gaps. This structure supports people at the earliest point of intervention and allows them to move across the steps of care as their needs change.

# Critical next steps and decisions

- The department will continue to progress the National Early Intervention Service procurement, with the Request for Tender to be released mid-2025.
- The National Mental Health and Suicide Prevention Agreement (the National Agreement) expires on 30 June 2026. The Productivity Commission's Final Review of the Agreement is due in October 2025. The department will brief you on outcomes of this review to support decisions on how to proceed beyond June 2026.
- The National Mental Health Commission (the Commission) and National Suicide Prevention Office (NSPO) were transferred into the department in September 2024. Both entities function to provide independent reporting and advice on Australia's mental health and suicide prevention systems. Decisions on interim functions of the Commission and NSPO, including legislative underpinning, will need to be made in the early months of your term while their ongoing roles are re-defined and established.

# Key considerations and challenges

- As more services are introduced to meet the growing demand for support, we need to improve the coordination of mental health service delivery systems. The government should consider investing in broad system navigation, including implementing recommendations from SANE and its consortium. Additionally, integrating the Medicare Mental Health Phone Service with other referral pathways, such as 1800MEDICARE, could enhance service accessibility and efficiency.
- The National Agreement may provide one pathway forward for future work to address gaps in the mental health and suicide prevention system.

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# Timeline:

				202	25						20	26		
	May	June	July	August	September	October	November	December	January	February	March	April	May	June
rdable g Care Im		lth Ministers and isters Meeting (				uctivity Comm Review of the l		ر مردز م	H) posit	¢	Establish ne: Embrace kid			
Establish Affordable Options Along Care Continuum	Draft Revie Menta	ity Commission w of the Nation l and Suicide ion Agreement		Hea gra	ital Mental Ith Program nt process inalised	Contracts ir place for NEI Procuremen	s co		3310				Health	onal Mental h and Suicide ment expires
				~	his docum the free they the	ent has be	en ion in a state of the alt							

# Implement Medicare Mental Health Centres

### What you have delivered:



Medicare Mental Health Centres will continue to broaden the reach of high quality, free mental health care for people with moderate to severe mental health needs.

# Critical next steps and decisions

- The department is continuing to finalise the Medicare Mental Health Centre brand transition. Most centres, the phone service and website are complete. The department will provide options to market-test a new brand identity for Kids Hubs to roll out from 30 June 2025.
- The department will implement 31 new and upgraded centres through a phased approach over 4 years from 2025-26 in line with your election commitment. This allows time to finalise establishment of existing planned centres and address implementation challenges including availability of physical infrastructure and local workforce – particularly in rural and remote locations. The first of these centres will be operational in the 2026-27 financial year, with some of the upgraded centres likely to be available earlier.
- The independent evaluation final report of the Medicare Mental Health Centres and Phone Service is due in September 2025. This is happening alongside a clinical review of services delivered in the centres, due by the end of 2025. The department will brief you on the outcomes and recommendations of the report, including opportunities to inform future investments into the program.

# Key Considerations and challenges

Under the National Agreement any changes to the service model require joint agreement with states and territories. State and territory governments and PHNs will need to be consulted as they will be required to commission these services in line with the new requirements.

s47B

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• Your commitment for a further 31 new and upgraded Medicare Mental Health Centres includes the establishment of 6 new centres located in Victoria. The Victorian Government indicated a commitment to continue the rollout of local services following the 2025–26 State Budget in recent correspondence to you. Consultation around locations will be needed to ensure services are provided in the areas of need and there is no duplication with existing services.

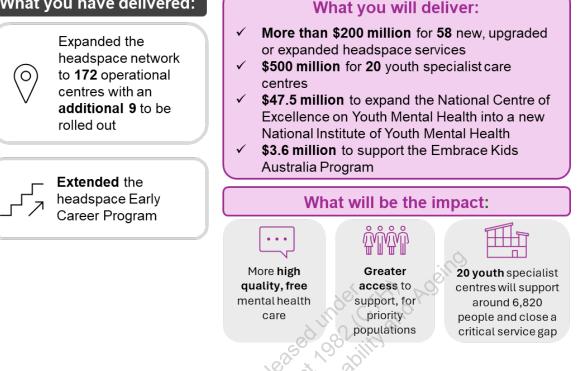
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# Timeline:

May         June         July         August         September         October         November         December         January         February         March         April         Mary           Interim findings report of the Medicare Mental Health Centres provided         Independent evaluation of the Medicare Mental Health Centres final sed         Independent evaluation of the Medicare Mental Health Centres final sed         Image: November         Image: No					2025						2026						
the Medicare Mental Health Centres provided Centres finalised New branding for Kids Hub begin to roll out		Мау	June	July	August	September	October	November	December	January	February	March	April	May	June		
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# Prioritising child and youth mental health

### What you have delivered:



Increasingly, young people are presenting to primary care services like headspace with concerns that are too complex, yet not severe enough for state and territory-funded services and hospitals. Expanded headspace services that support more complex needs and new transdiagnostic Youth Specialist Care Centres that treat a wider range of conditions will address this gap.

# Critical next steps and decisions

- The department will provide advice to you to support the implementation of these commitments, including:
  - confirming the process for developing the models of care for the new services and 0 locations for the 20 Specialist Care Centres and remote headspace services
  - confirming the role, scope and contracting arrangements for the new National 0 Institute of Youth Mental Health by September 2025, with delivery to commence by 1 July 2026
  - on the role of the PEFO-funded evaluation of the existing National Centre of 0 Excellence for Youth Mental Health ensuring it supports these new arrangements
  - establishing the next phase of Embrace Kids Australia Program by March 2026. 0
- As part of the 2023–24 MYEFO, the government allocated \$3.5 million to review headspace funding (due September 2025) and governance arrangements (completed). The department will brief you on the outcomes of this review and outline any implications for implementing these services.
- The sector-led consortium commissioned to co-design fit-for-purpose youth mental health models of care will provide final advice in June 2025.

## Key considerations and challenges

- The two new remote headspace services will be co-designed with the First Nations-led community-controlled sector, as per your announcement. Implementation of these services will take longer due to the partnership and extended consultation and will be established in the 2026–27 financial year.
- The risks of undersupply of the clinical workforce, in particular psychiatry, may impact services in the short term. This could be mitigated through leveraging existing virtual service offerings and partnering with state and territory governments in implementation.

## Timeline:

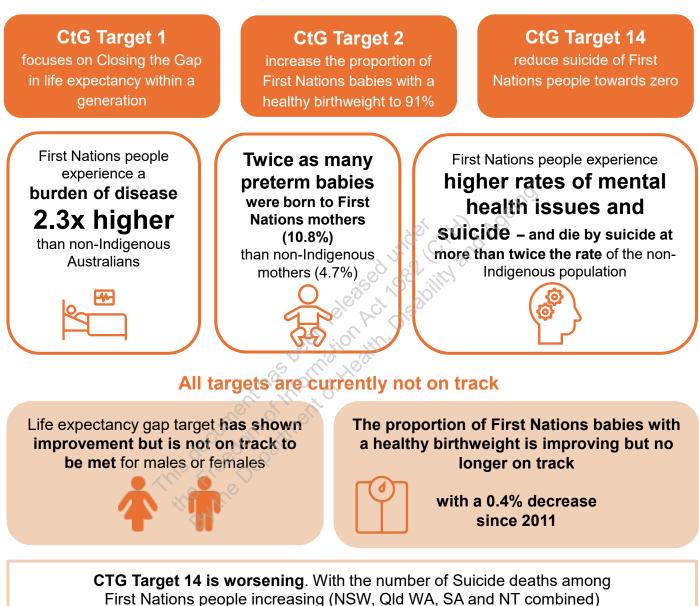
	2025								2026					
	May	June	July	August	September	October	November	December	January	. February	March	April	Мау	June
hild and I Health			:	Funding appro Specialist Car National Institu	e Centres and	va	Funding ag riations for ne centres co	w headspace	STA and P	<u>6</u>				ommence onal Institute grants
Prioritising Child and Youth Mental Health		co-desi yout	or-led advice f ign fit-for-pur h mental heal s of care deliv	pose lth	Outcon Headspac review de	e funding	een tion	Release g opportunit National Ins	ty of					
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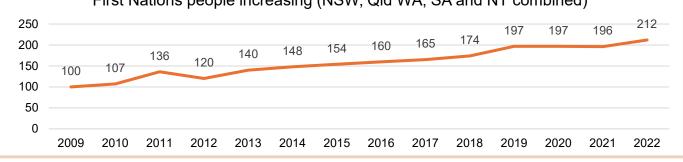
## Closing the Gap FOI 25-0484 LD - Document 1

On poor health outcomes for First Nations people

## The National Agreement on Closing the Gap (CtG) is changing the way governments work with First Nations people.

### We are working towards three main health targets





Impacts on First Nations people are considered across all health policies, with strengthening Medicare, cheaper medicines and attracting appropriate workforce being crucial to addressing disparities in health outcomes between First Nations people and non-Indigenous Australians Page 75 of 109

## Prioritising culturally safe and appropriate health care

#### What you have delivered:

\$10.1 million to

and transportation in

\$2.7 billion over 4

to 120 Aboriginal

Controlled Health

Services (ACCHs)

broaden access to the

\$11.1 million to

Closing the Gap

PBS Co-Payment

Program

years for core funding

**CareFlight** to purchase a plane for medical evacuations

the Top End

Community

Delivering

#### What you will deliver:

✓ Establishing a new First Nations Health Governance group to guide and prioritise work under the Priority reforms

#### What will be the impact:

First Nations

people have

ß

improved access to affordable PBS medicines in both primary care and acute care settings, regardless of where they live Programs and services prioritise culturally safe and appropriate health care for First Nations people

Many First Nations people access the health system differently to non-Indigenous people. A lack of cultural safety, language problems, discrimination and cultural appropriateness, has prevented one-third of First Nations people from accessing mainstream health services when they needed to.

The department takes into consideration First Nations people's health needs in all policy development to ensure health equity is deeply embedded in what we deliver. While progress has been made, more needs to be done to ensure First Nations people have access to culturally safe and responsive care in mainstream settings.

The next NHRA will ensure improvements in the experiences of First Nations people in mainstream hospital settings through increased access to culturally safe care and accelerated efforts to address racism. Improving cultural safety and addressing racism should also extend into mainstream primary care.

## **Opportunities for Reform**

• The department has commenced scoping of the work required to transition Aboriginal

s47C, s47E(d)

- The department is continuing to co-design a prioritisation framework to ensure First Nations investment is targeted at areas of greatest need, utilising existing funding streams such as the Indigenous Australians' Health Programme
- You committed to develop an approach to implementing the independent National Review of First Nations Health Care in Prisons in 2025. The department is scoping options with the states and territories and the First Nations health sector. Hosting the next Health Ministers' Meeting & Aboriginal and Torres Strait Islander Roundtable in late 2025 or early 2026 provides a good opportunity to discuss an implementation approach. We will provide advice to you in advance of this meeting.

## Key considerations and challenges

- Many ACCHS facilities are 20–40 years old and require significant renovation or replacement to meet clinical and accreditation standards. This impacts on their ability to deliver high-quality services. Currently, there is no funding allocated for ACCHS infrastructure beyond 2025-26. NACCHO's 2025–26 Budget submission requested \$686 million to address the remaining \$1.1 billion infrastructure need.
- The First Nations health workforce has grown but is significantly below population parity in most disciplines. The greatest disparity is in specialist roles. Workforce shortages are limiting the capacity of the ACCHS sector to grow. Increasing this workforce is also critical to increase cultural safety in the mainstream health system.
- Current barriers to transition programs under the First Nations Health Funding Transition Program include cultural capability, program readiness, thin markets that do not have community controlled or First Nations-led organisations to support transition, and regulatory challenges.

the free Department

## **Clear progress on Closing the Gap**

#### What you have delivered: ✓ Est gro gro Prio

#### What you will deliver:

✓ Establishing a new First Nations Health Governance group to guide and prioritise work under the Priority reforms

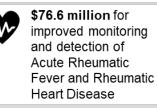
#### What will be the impact:



Increased Birthing on Country models of care resulting in a **reduction of pre-term birth rates** 



First Nations people have **Improved** emotional and social wellbeing



health program

to support all

Australians including

First Nations peoples

\$40.9 million invested

Expanding the Deadly Choices preventive

in birthing on country

**Decreased** cardiovascular disease, kidney disease and diabetes mellitus in First Nations people

There is clear evidence that a collaborative approach results in better outcomes for First Nations people. The First Nations Health Governance Group is a formal partnership between the department and First Nations health experts and leaders to embed co-design and shared decision-making in policy design, delivery and advice to government.

## Critical next steps and decisions

 Birthing on Country measures have shown promising success. These initiatives provide culturally safe and community-led maternity care for First Nations women. Studies have reported significant improvements in maternal and infant health outcomes, including a reduction in preterm births and better overall health for mothers and babies.

Birthing

on Country models of care could also be expanded, with a specific focus on target areas where the risk of low birthweight is highest, including in regional and remote areas.

- Co-designing the ongoing investments into mental health with First Nations people to ensure culturally safe and responsive mental health and suicide prevention services will be critical.
- The majority of First Nations specific mental health programs terminate on 30 June 2026. s47C, s47E(d)
- Ongoing funding would support increased trust in communities, better retention and recruitment of staff, and more opportunities for partnership and iteration of service models. This includes continued investment in the Closing the Gap Social and Emotional Wellbeing (SEWB) Policy Partnership as an opportunity to continue working in partnership with Aboriginal and Torres Strait Islander people to improve SEWB and reduce suicide rates.

One key measure terminating on 30 June 2026 is the flagship Culture Care Connect (CCC) program. Led by NACCHO this program targets regional initiatives to reduce suicide. Expanding CCC is a key opportunity to improve mental health services that work directly with First Nations communities and build a stable and effective workforce.

#### s47C, s47E(d)

Increased investment is needed for culturally safe, First Nationss47C, s47E(d) led suicide prevention and aftercare services. the CCC workforce must grow to meet current and future demand. This program will need to be considered in a future budget process. There are also opportunities to expand investments in ongoing programs that have had proven track records of success. The 13YARN 24/7 crisis support phone service has been evaluated with strongly positive findings in the areas of accessibility, effectiveness, appropriateness and efficiency.

## Key considerations and challenges

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- None of the health-related Closing the Gap Targets are currently on track to be met by 2031.
- First Nations leaders, including NACCHO, have a strong expectation that high levels of engagement with First Nations stakeholders will continue. Any shifts in this now expected approach would likely result in criticism and withdrawal of policy support from these stakeholders.

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## Portfolio Overview

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# Critical Decisions

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OFFICIAL

Critical Decisions					
Title	Key Points	Critical date	Justification	Impact if decision is not made	Funding already provisioned?
Continuing to deliver on key commitn	nents		1	I	
Independent Health and Aged Care Pricing Authority's (IHACPA's) 2025-26 draft residential aged care pricing advice and thin markets review	Response required to IHACPA draft annual pricing advice.	12/05/25	Responses to IHACPA are due 12 May 2025.	IHACPA will provide their final pricing advice in July 2025 without consideration or feedback from you.	Yes
Support at Home program	In order to minimise implementation complexity, interim packages will commence after November 2025. Seeking your approval on the approach to the utilisation of interim packages during the first year of the Support at Home program and the ongoing management of the algorithm.	16/05/25	Support at Home commences on 1 July 2025 and providers are keen to understand the likely mix of full and minimum service offers over the first twelve months of the program.	Providers may lobby government about not having the information required to commence operation of the new program on 1 July 2025.	N/A
Progress updates on Commonwealth-only and Commonwealth / NGO recommendations for Disability Royal Commission biannual reporting	Approval of the departments response to the 5 health led recommendations in order for DSS to publish the first biannual progress report on the Disability Royal Commission.	16/05/25	The first biannual report requires Ministerial approval of a progress update for the five Health-led recommendations by 16 May in order to engage with HCEF on 23 May and HMM on 13 June.		N/A
Adoption of the Pandemic Agreement at the World Health Assembly	WHO Member States have reached consensus on the text of the pandemic agreement, for adoption at the WHA (19-26 May).	19/05/25	Australia has played a critical role in Pandemic Agreement negotiations through the Inter-governmental Negotiating Body. Pending your agreement Australia would seek to adopt the Pandemic Agreement to commence the ratification process, and signal our strong support for cooperation on health security. Australia will not be bound to the terms of the treaty until it has been signed and entered into force, following domestic scrutiny by parliament, (after the WHA).	Australia would not be able to vote on the WHA adopting the Pandemic Agreement, and therefore will not be able to advocate for our interests.	N/A – funding not required until Australia has signed the agreement. This is expected to occur post-30 June.
Means testing approach for Support at Home for Q1 2025-26	Advice on approach to participant contributions for July-September for Support at Home based on feedback from Transition Taskforce.	20/05/25	Services Australia will start making means test assessments for Support at Home from 1 July. This means that some participants will finalise service agreements, and start to receive services, before they know the contribution rate they will be required to pay. A decision to change this approach would be needed early to allow time to develop draft rules and prepare provider and government ICT systems. This would flow through to timeliness of assessments of income and assets on commencement of Support at Home.	Delay in paying providers for the services they have provided and risk of bill shock for participants after the means assessment occur.	N/A
Commencement of the <i>Aged Care Act 2024</i> and Support at Home Program from 1 July 2025	A decision is required to proceed with a 1 July 2025 commencement date for the Aged Care Act 2024 and the Support at Home Program, or to defer to a later date.	21/05/25	A decision is needed to provide older people and the sector with certainty that either 1 July 2025 remains the target date or a deferral is necessary. The proclamation to defer commencement would need to be taken to the 26 June 2025 Executive Counci meeting at the latest. If a decision was made not to defer the Rules and the amendment bill become critical (see below).	s47C, s47E(d)	
Regulation amendments to update TGA fees and charges for 2025-26 financial year	Updates to TGA fees and charges needed to ensure recovery of costs of administering the regulatory scheme for therapeutic goods. For consideration of the update at the next Executive Council meeting scheduled 12/06/25, a decision will need to be made by 22/05/25.	22/05/25	TGA fees and charges are critical to ensuring the effective administration of the Therapeutic Goods Act, particularly post market monitoring of product safety, and consistency with the cost recovery guidelines.	Regulations must be updated in time to commence on 1/7/25 for sponsors and manufacturers to pay the 2025/26 annual charges. If this timeframe cannot be met, sponsors and manufacturers will pay the applicable 2024/25 annual charges, resulting in under recovery of the costs of regulation and impacting product safety.	N/A
Out-of-session decision on Food Standards Code	The Food Minister will need to sign a response form indicating preference for a review or not requesting a review in regards to <del>of</del> an application to allow food derived from insect-protected corn line MZIR260. This item is non-contentious and can be considered out of session.	22/05/25	This is a statutory deadline. As per section 84 of the FSANZ Act, Food Ministers must consider changes to the Food Standards Code within 60 days of notification. Food Ministers can either support these changes or request a review.	s47C	N/A

Extraordinary Food Ministers' Meeting	The Australian Government Minister with responsibility for food is required to confirm a date for an extraordinary Food Ministers' Meeting to consider changes to the Food Standards Code in session. The Food Minister will need to have been sworn in prior to the \$47C, \$47E(d).	30/05/25	s47C, s47E(d) , to meet statutory timelines for a decision on amendments to the Food Standards Code approved by the Food Standards Australia New Zealand (FSANZ) Board. Food Ministers have agreed to consider these items in session. A decision is required prior to 6 June 2025.	
	The department will brief the Food Minister on 2 proposals and one application that relate to cell-cultured quail and alcohol labelling and provide advice to facilitate decision making at the meeting.			
Finalise and agree the Aged Care Rules (Rules) and Transitional Aged Care Rules	A Ministerial decision on any amendments to the current version of the Rules is required by 31/05/25 before seeking final Ministerial approval to make the Rules ahead of their proposed commencement on 1 July 2025. The last possible date to make the Rules is 30 June 2025. The later that any material changes are made from the versions currently shared for consultation would increasingly result in criticism from the sector as being too late to allow appropriate preparation for implementation of the changes.	31/05/25	Rules need to be made before 1 July 2025 otherwise they will not commence with the Aged Care Act 2024 .	Rules give operation to polic 2024 , as such operation of Risk of losing continuity of c
Modified Monash Model (MMM) update in aged care	Decision is needed when the MMM updated in aged care will be applied. A start date of 1 July 2025 (in line with new Act) or 1 October 2025 (in line with annual AN-ACC updates): •A partial update of the MMM was announced by Minister Butler on 10 March 2025 •The update was effective from 13 April in Services Australia's system and across health workforce programs. •The starting date of the MMM2023 for aged care has critical legislative and program impacts for MPSP, AN-ACC (including the 24/7 RN Supplement) and Assistive Technologies/Home Modification (AT-HM).	31/05/25	Legislative and system changes are required to ensure the correct subsidies are applied through MPSP, AN-ACC (including the 24/7 RN Supplement) and Assistive Technology and Home Modifications (AT-HM).	Unclear or inconsistent mes change will impact sector b time to notify and prepare th
Streamlining accreditation processes for integrated health and aged care providers	<ul> <li>Seeking your agreement to extend existing streamlined accreditation processes in place for Multi-Purpose Services Program (MPSP) providers to other integrated health and aged care providers.</li> <li>Under the new Aged Care Act all aged care providers will be regulated by the Aged Care Quality and Safety Commission (ACQSC).</li> <li>Integrated health and aged care providers are required to comply with dual accreditation processes (health and aged care regulatory processes, i.e. ACQSC and ACSQHC), while MPSP sites do not.</li> <li>Expanding streamlined accreditation would contribute to regulatory harmonisation across the health and care sectors.</li> </ul>	31/05/25	Legislative changes required and preparation of policy and communications products to communicate change to the sector.	Regulatory burden and incor care providers.
		cunon	ATTON \$47C	
	-This the		s47C, s47E(d)	
National Annual Workplan to operationlise the National Strategy for Addressing Delayed Discharge of Older Patients		04/06/25	To enable Health Ministers' Meeting to consider the workplan out of session for a 1 July 2025 commencement.	States may withdraw engage be lost.
Independent review of Accommodation Pricing	An independent review of Accommodation Pricing is legislated under s600A of the Aged Care Act 2024 . It will seek agreement to have an independent reviewer(s) appointed. Seeking your agreement for the Terms of Reference (ToRs) for the legislated Accommodation Pricing Review.	12/06/2025	This is a legislated and high profile independent review of accommodation pricing under s600A of the new Act, and the independent reviewer(s) report is required to be tabled in each House of Parliament by 1 July 2026.	The process of making an ap considered a significant app the Prime Minister's agreem need to be appointed and ha meet 1 July 2026 tabling dea
Aboriginal and Torres Strait Islander Aged Care Commissioner			s47C, s47E(d)	

s47C, s47E(d)	
licy provided for in the <i>Aged Care Act</i> of parts of the new Act could fail. f care for older people.	N/A
essaging/uncertainty about timing of the business planning. Allow for sufficient the sector for changes.	Yes
consistency for integrated health and aged	N/A
gement on this issue and momentum may	N/A
appointment for independent reviewer(s) is ppointment, therefore you will need to seek ment to the appointment. A reviewer will have appropriate time to review in order to eadline.	Yes

Continence Aids Payment Scheme Legislation changes	Seeking your agreement to Continence Aids Payment Scheme Legislation changes. The legislative changes incorporate: •©onsequential changes resulting from the new Aged Care Act 2024 •Bemove HCP eligibility language •Add SaH eligibility language •©change payment value in line with CPI.	13/06/25	Program will not be updated to align with new Act and the introduction of Support at Home. Services Australia require advice on changes to payment values by 14 June 2025. This allows them to update their systems for 2025-26 payments.	Payments won't be aligned with legislation changes for 2025-26.	Yes
Subsidy and Supplements Indexation Process	Seeking your approval on the new rates for the aged care subsidies and supplements that are subject to indexation on 1 July 2025.	13/06/25	Services Australia require approval by mid-June so that the rates can be uploaded into the system (noting this year will also include significant system changes), and ensure the schedule of subsidies and supplements are updated.	The rates will not be indexed and out of date and out of sync with the legislation. Providers will be paid incorrect amounts. If not indexed providers would face unnecessary red tape to appropriately price their accommodation.	Yes
Agree ToRs for Transition Care Program Review			s47B, s47C		
Setting daily and lifetime caps for residential care and Support at Home, and thresholds for Hotelling Supplement and non-clinical care contribution for new Aged Care Act commencement and indexation of the maximum room price for 1 July 2025	<ol> <li>The department will seek agreement that caps for non-clinical care contribution and combined lifetime cap for both residential care and SAH, and thresholds at which individuals would begin contributing to the hotelling supplement and non-clinical care contribution, be indexed by Consumer Price Index (CPI) every six months, consistent with the approach taken under the current arrangements. We will further seek agreement to set the rates and thresholds for each of these measures for 1 July 2025 to and adjust for indexation that would have occurred on 20 September and 20 March had these rates been in the rules at that time.</li> <li>The department will seek your approval for the first CPI point (1 July 2025):-Maximum room price. This approval will be sought every year to ensure the standard at which providers need to seek Independent Health and Aged Care Pricing Authority (IHACPA) approval remains constant over time. Could be incorporated into 1 July Subsidy and Supplements Indexation Process Minsub to reduce paper workflow.</li> </ol>	25/06/25	<ol> <li>These changes cannot be addressed through budget or MYEFO as they need to happen between when the rules to support the new Aged Care Act have been made by the Minister and when they commence on 1 July 2025. Brings rates for commencement into line with the policy authority obtained from the Expenditure Review Committee.</li> <li>Bipartisan agreement was secured to this approach to room prices. Time prior to 1 July is required to update IHACPA and My Aged Care (MAC) websites, and the MAC portal which restricts providers from advertising a room price above the maximum without proof of IHACPA approval.</li> </ol>	amount older people would need to contribute to their residential	1.If not agreed an EV would be required for MYEFO. The costings already agreed factor in this indexation
	·	87 1	s47C	•	·
			s47C		
Future of the aged care surge workforce program including future funding			s47C		
New Compliance rating attribution of stars and staffing rating algorithm and matrix for Star Ratings	Seeking your agreement to the attribution of stars for the compliance rating for compliance notices and conformance against the strengthened Quality Standards, including changes to the staffing rating requirements.	30/06/25	Decision for the staffing rating is required well in advance of the 1 October 2025	Star ratings will not be able to function for the Compliance rating if we do not have agreement of the attribution of the stars due to apply to the changes under the new Act. Staffing changed - Limited time for sector to understand the thresholds for receiving 1- 5 stars.	N/A

able for Australia and Australians July 2025 Regulations.  dments to the Healthcare Identifiers Regulations are required to support hencement of the Chronic Wound Consumables Scheme (CWCS).	30/06/25 14/05/25 16/05/25 20/5/2025	implement recommendations from the Medical Services Advisory and MBS Review         Advisory Committees. The sector and patient groups are expecting changes to take         effect from 1 July 2025 as announced. These changes include significant reforms to         Chronic Disease Management items for GPs.         s42         The Federation Funding Agreement (FFA) on Public Dental Services for Adults expires	S47B, S47C	N/A Yes Yes
July 2025 Regulations. dments to the Healthcare Identifiers Regulations are required to support nencement of the Chronic Wound Consumables Scheme (CWCS).	16/05/25	implement recommendations from the Medical Services Advisory and MBS Review         Advisory Committees. The sector and patient groups are expecting changes to take         effect from 1 July 2025 as announced. These changes include significant reforms to         Chronic Disease Management items for GPs.         s42         The Federation Funding Agreement (FFA) on Public Dental Services for Adults expires	and amended items as agreed	
dments to the Healthcare Identifiers Regulations are required to support nencement of the Chronic Wound Consumables Scheme (CWCS). Ing your agreement to take the FFA for Public Dental Services for Adults to the cil on Federal Financial Relations and write to jurisdictional Health Ministers on next	16/05/25	implement recommendations from the Medical Services Advisory and MBS Review         Advisory Committees. The sector and patient groups are expecting changes to take         effect from 1 July 2025 as announced. These changes include significant reforms to         Chronic Disease Management items for GPs.         s42         The Federation Funding Agreement (FFA) on Public Dental Services for Adults expires	and amended items as agreed	
nencement of the Chronic Wound Consumables Scheme (CWCS). Ing your agreement to take the FFA for Public Dental Services for Adults to the cil on Federal Financial Relations and write to jurisdictional Health Ministers on next	20/5/2025	The Federation Funding Agreement (FFA) on Public Dental Services for Adults expires	s47C, s47E(d)	Yes
cil on Federal Financial Relations and write to jurisdictional Health Ministers on next				
		on 30 June 2025. The March budget announced an additional 12 months funding for the FFA. Advice on future funding processes will need to be provided to state and territory Health Ministers.	Delays in providing advice to jurisdictions about the future of the FFA may see a reduction in public dental services due to lack of clarity about funding.	Yes
agreement of Health Ministers to long-term dental reform options for First Nations es and Older Australians. ng your agreement to progress Long-Term Dental Reform options to take to HCEF at July 2025 meeting, and for consideration at the 15 August 2025 HMM.	13/06/25	context of MYEFO. Consideration by HCEF has been delayed several times. HCEF	Without a decision from HMM, work cannot progress on long-term dental reform. There will also be increasing pressure from HCEF to progress this work.	Yes
your appproval to the amended National Cancer Screening Register (Register) Rules ndate radiologists to report low-dose CT scan results and authorise the Register to t smoking cessation advice information.	25/06/25	2025. To support equitable access to the program, the Health Insurance Regulations	not be able to occur.	Yes
ng approval for changes to the regulations to be submitted to Executive Council. dment to the <i>Health Insurance Regulations 2018</i> for Nurse Practitioners (NPs) to st MBS items under the National Lung Cancer Screening Program.	30/06/25	support access to the program, the Health Insurance Regulations should be amended to allow Nurse Practitioners to be able to request NLCSP scans. It was confirmed through a targeted scope of practice review was that it is within nurse practitioners scope of practice to undertake this role.		Yes
		s47C s47C, s47E(d)		
nda t sr ng a dm	te radiologists to report low-dose CT scan results and authorise the Register to noking cessation advice information. pproval for changes to the regulations to be submitted to Executive Council. ent to the <i>Health Insurance Regulations 2018</i> for Nurse Practitioners (NPs) to	noking cessation advice information. pproval for changes to the regulations to be submitted to Executive Council. ent to the <i>Health Insurance Regulations 2018</i> for Nurse Practitioners (NPs) to	te radiologists to report low-dose CT scan results and authorise the Register to noking cessation advice information.       2025. To support equitable access to the program, the Health Insurance Regulations should be amended to allow Nurse Practitioners to be able to request NLCSP CT scans. It was confirmed through a targeted scope of practice review that it is within nurse practitioners scope of practice to undertake this role and it is supported by the sector.         pproval for changes to the regulations to be submitted to Executive Council.       30/06/25         the Health Insurance Regulations 2018 for Nurse Practitioners (NPs) to IBS items under the National Lung Cancer Screening Program.       30/06/25         Stems under the National Lung Cancer Screening Program.       Stems under the National Lung Cancer Screening Program.         Stems under the National Lung Cancer Screening Program.       Stems under the National Lung Cancer Screening Program.         Stems under the National Lung Cancer Screening Program.       Stems under the National Lung Cancer Screening Program.         Stems under the National Lung Cancer Screening Program.       Stems under through a targeted scope of practice review was that it is within nurse practitioners scope of practice to undertake this role.         Stems under the National Lung Cancer Screening Program.       Stems under through a targeted scope of practice review was that it is within nurse practitioners scope of practice to undertake this role.	te radiologists to report low-dose CT scan results and authorise the Register to noking cessation advice information. 2025. To support equitable access to the program, the Health Insurance Regulations should be amended to allow Nurse Practitioners to be able to request NLCSP CT scans. It was confirmed through a targeted scope of practice review that it is within nurse practitioners scope of practice of undertake this role and it is supported by the sector. approval for changes to the regulations to be submitted to Executive Council. BS items under the National Lung Cancer Screening Program. BS items under the National Lung Cancer Screening Program. Sector for the Sector for the Sector for the program. Sector for the Sector for the National Lung Cancer Screening Program. Sector for the Sector for the Secto

DDC listings submissis				
-	Seeking your approval for PBS listings for July 2025 (including co-dependent MBS listings).	04/05/25	Health Minister approval for PBS listings required prior to medicine being listed on the PBS.	Medicine listings require app delays to patient access. Ne each month. There will be lin software providers ahead of to progress some listings urg patients.
	Seeking agreement to amendments to the Determination to approve listing of a new childhood pneumococcal vaccine on the National Immunisation Program (NIP).	06/06/25	s47C	
Application Charging Arrangements - Repeal	Reintroduce the Pathology Fees Repeal Bill. Under a 2024-25 budget measure, fees imposed on the pathology sector for the approval of certain categories of pathology accreditation applications were to be removed from 1 July 2025.	26/06/25	This bill was active during both the Spring 2025 and Autumn 2025 sessions, but is now considered to have lapsed due to the dissolution of parliament for the election. To progress as planned and expected by the sector (start date 1 July 2025), there is a limited window of opportunity (3 sitting weeks) during the Winter Sitting period that occur before 1 July 2025 (ending 26 June 2025).	The reform was announced was announced was a section from pathology prov
	Amendments to the FFSP are required to underpin expenditure on pharmacy programs that are moving out of the Eighth Community Pharmacy Agreement (8CPA).	30/06/25	s42	
Australia is attracting and retaining a he	ealth workforce, which is working to its full Scope of Practice			1
			s47C de triband pes	
A simpler, fairer and more targeted mental he	alth system	·	New Charles and the	
Mental Health Ministers' Meeting (MHMM)	There are 4 key policy papers going to MHMM - psychosocial support, child and youth mental health, national information sharing framework and workforce. Seeking your agreement to the Australian Government position ahead of the Mental	06/06/25	The Health and Mental Health Ministers' Meeting is scheduled for 13 June 2025. The Australian Government is responsible for leading discussion on 2 of the 4 papers.	Decisions will not be able to Government position.

approval as quickly as possible to avoid New listings are made on the first day of limited time to inform sponsors and of listing on 1 June, but it may be necessary urgently for this date to minimise delays for	Yes
	N/A
ed with a start date of 1 July 2025. Negative roviders if this date not met.	Yes
	Yes
to be made at MHMM without Australian	N/A

## Grants

Title	Key Points	Critical Date	Brief justification	Impact if decision is not made	Funding already provisioned?
Support at Home Thin Market Grants	Policy approval - Future grant opportunities for Support at Home Thin Market Grants.	30/6/25	On 26 March 2024, the first grant opportunity, Support at Home Thin Market Grants (rural, remote and specialised) 2025-26, was opened to providers. This was part of a \$600 million investment into supporting the viability of Support at Home providers operating in rural and remote Australia and supporting people with diverse backgrounds and life experience. <b>S47D</b> If the first grant opportunity is undersubscribed, policy approval for a future grant opportunity will be required as a priority to ensure any remaining funding in 2025-26 is distributed in accordance with policy priorities.	Government has committed around \$600 million to support home care providers in thin markets.	Yes
Periods, Pain, Endometriosis Program (PPEP Talk)	Grant Opportunity Guidelines approval. Funding to extned the delivery of PPEP Talk, which provides endometriosis and pelvic pain eeducation to high schools.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes
Endometriosis and Pelvic Pain Clinic	Grant Opportunity Guidelines approval Expand the network of Endometrioisis and Pelvic Pani Clinics around Australia.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes
	Ministerial approval and agreement to the spending proposals is required to ensure grant processes can be finalised and funding can be offered to organisations.	30/6/25	Ministerial approval of funding (totalling \$8.15 million) and grant processes to extend 22 terminating measures that were agreed to as part of the 2025 Pre-election Fiscal Outlook to ensure continuity of critical patient and clinician support for chronic conditions.	There is a risk to patient outcomes and patient support services if funding for these measures is delayed.	Funding for these measures will be met within the existing resources of Health.
Precision Oncology grant measures (Australian Rare Cancers (ARC) Portal, ZERO Childhood Cancer National Precision Childhood Medicine Program (ZERO), and Precision Oncology Screening Platform Enabling Clinical Trials (PrOSPeCT)	The precision oncology measures are a 2024-25 MYEFO decision, announced on 26 February 2025 (ARC Portal) and ZERO and PrOSPeCT on 6 March 2025. Policy approval was provided by the Hon. Mark Butler in March 2025, MS25- 000331 MS25-000334 and MS25-000335 refers. Grant guidelines are currently being drafted and will need the Minister for Health and Aged Care to seek approval from the Minister for Finance to progress the grants.	Before 30/06/25	The ARC Portal grant guidelines are currently being reviewed by the Department of Finance, with the ZERO and PrOSPeCT grants soon to follow. <u>\$47C</u> A medium risk rating requires the Minister for Health and Aged Care to write to the Minister for Finance to publicly release the guidelines. There is urgency to release the grant guidelines, develop a funding agreement and offer funding to the funding recipients to ensure service delivery is not impacted. The ZERO Childhood Cancer program is particularly urgent.	Guidelines will not be released in a timely manner, resulting in a delay of funding to the recipients - and service delivery to patients will be impacted.	Yes
Youth Diabetes Prevention Program Pilot	Grant Opportunity Guidelines approval. To establish a First Nations led childhood diabetes prevention program pilot in remote Australia from March 2025 to June 2026.	30/6/25	Grant Opportunity Guidelines currently with DoF for risk rating and guideline review. Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes

Indigenous Australians' Health Programme (IAHP) Workforce and Maternity Services Grant Opportunities (GO5842, GO5524 and GO5740) - Intrapartum midwifery insurance	This proposal seeks to support the cost of midwifery insurance premiums for the three Birthing on Country (BoC) sites providing intrapartum care for the remainder of current grant arrangements for BoC (12 months) while a more permanent solution to address the rising cost of insurance is identified by the Commonwealth. Decision required: Policy approval.	30/6/25	Service delivery as it relates to intrapartum care will be discontinued by midwives employed by BoC sites under National Law if appropriate insurance arrangements are not funded, resulting in compromised delivery of the Healthy Mums Healthy Bubs (HMHB) budget measure and the 2022-23 Election Commitment for Waminda's Birth Centre. A discontinuation of BoC services at these three sites will not just impact local communities and women looking to birth through this gold standard model of care. It will also impact progress against the CtG Target 2 – Babies are born healthy and strong, as each of these BoC sites have reported improvements in healthy birthweight as a result of their BoC services.	Service delivery as i intrapartum care co discontinued if insu arrangements are n
Media embargo for 2024 BioMedTech Incubator Grant Opportunity outcomes	Ministerial lifting of media embargo required for outcomes for 3 executed MRFF grant agreements awarded under this opportunity (total value: \$108,796,160.00).	13/6/25	Grant agreements were executed in March, but this GO remains under embargo. Lifting the media embargo will allow the grantees to engage in unrestricted communications necessary to implement their projects.	Grantees will be res ability to commenc this could result in commencement (a research.
Approval to conduct and appoint panel members for the Evaluation of the MRFF Missions Theme	Ministerial approval required to conduct an evaluation of grants funded under the MRFF Missions initiatives and appoint a Mission Evaluation Panel. The evaluation will provide the evidence needed for funding allocations for the MRFF Missions from 2027 onwards.	30/6/25	The Government will need to appoint independent panel members. The outcomes of this 12-month evaluation are needed by 30-Jun-26. This will ensure there is evidence needed to inform funding allocations and the associated budget and expert advisory panel processes (typically takes place over a further 12 months), for the Missions program to commence funding from 1-Jul-27 onwards.	Uncertainty for con earliest MRFF Missi established (Austra Mission), resulting i allocation of fundin 2028 FY.
Policy Approval and Approval in Principle for expenditure from the MRFF for the 2025 Research Data Infrastructure (RDI) grant opportunity (MS25-000084)	Ministerial approval required to expend funds for and open 2025 RDI grant opportunity.	30/6/25	Policy approval is a priority to enable the 2025 RDI grant opportunity to open as planned in July 2025 and to ensure alignment with key timeframes. Timely approval will support the expenditure of funding in the 2025-26 financial year in line with expected program delivery.	Delays to grant opp will have downstrea can affect ability to million in 2025-202
Outcomes for the MRFF 2024 Research Data Infrastructure (RDI) Grant Opportunity (MB25-000308)	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25	Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	\$9.5 million MRFF f expended in 2024-2 will be restricted in commence their res
Outcomes for the MRFF 2024 International Clinical Trial Collaborations (ICTC) Grant Opportunity (MS22-000140) Round 2	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25	Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	Grantees will be res ability to commenc
Outcomes for the MRFF - NHMRC - EPCDR - 2024 Improving Health Outcomes for People with Intellectual Disability Grant Opportunity (GO7217)	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25	Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year. Policy Approval and Approval in Principle for the expenditure of up to \$20 million over 5 years, from 2024-25, was provided on 21 October 2024 by the Minister for Health and Aged Care.	Grantees will be res ability to commenc could result in delay could be lost.

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- 2024 Infertility, Pregnancy Loss and Menopause Grant Opportunity (GO7056) Outcomes for the MRFF 2022 Frontier Health and Medical Research Grant Opportunity Batch 3 (GO5855)	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025. Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25 29/5/25 29/5/25	within the 2024-25 financial year. Policy Approval and Approval in Principle for the expenditure of up to \$25 million over 5 financial years, from 2024-25, was provided on 2 July 2024 by the Minister for Health and Aged Care. Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	Grantees will be restricted in their ability to commence their research; could result in delays, and funds could be lost. Grantees will be restricted in their ability to commence their research; could result in delays, and funds could be lost. Grantees will be restricted in their	Yes Yes
Australian Brain Cancer (GO7224)	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.		Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	ability to commence their research.	
Outcomes for the MRFF GHFM - 2024 Genomics Health Futures (GO7221)	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25	Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	Grantees will be restricted in their ability to commence their research.	Yes
	Ministerial approval required to release outcomes to grantees, including offers, to be expended by 30 June 2025.	29/5/25	Timely noting of outcomes is critical to align with expected timelines to complete processes to award funding to successful applicants before 30 June 2025 as required within the 2024-25 financial year.	Grantees will be restricted in their ability to commence their research.	Yes
	Ministerial approval required to expend funds for and open 2025 GHF grant opportunity.	30/6/25	Policy approval is a priority to enable the 2025 GHF grant opportunity to open as planned in Q3 and to ensure alignment with key timeframes. Timely approval will support the expenditure of funding in the 2025-26 financial year in line with expected program delivery.	Delays to grant opportunity opening will have downstream impact and can affect ability to expend \$50 million in 2025-2026 FY.	Yes
Health Laboratory Capacity and Capability	There are three grants under this program which expire on 30 June 2025: (i) Operation of the WHO Collaborating Centre for Reference and Research on Influenza (ii) Operation of the National High Security Quarantine Laboratory (iii) Operation of the Royal College of Pathologists of Australasia Quality Assurance Program for Biosecurity The intention is to renew all three grants for a further term from 2025-26 to 2028-29.		The renewal of these three grants is critical to Australia's national preparedness to respond to an existing, emerging or novel communicable disease or bioterrorism threat. While ministerial policy approval was granted on 7 March 2025 s47C	Operation of the three programs will cease, impacting Australia's ability to respond to a communicable disease or bioterrorism threat, particularly one which is novel or emerging.	Yes, funding pre-committed under Priority 46
grants to NACCHO to BAU funding	There are four grants under an existing COVID-19 grants program established to support vaccination uptake during the pandemic as an ad-hoc one-off grant process. The grants have been extended with the final activities concluding 30 June 2025. The Department is considering rolling unused funds (if any) into the 2024-25 Budget measure to support vaccination uptake in First Nations communities for all communicable diseases.	TBC	If funding is not fully expended under the existing grant by 30 June 2025, there are two options for managing the underspend: recouping costs and returning the funding to consolidated revenue, or rolling the funding into another existing grant where the activities are consistent. Noting the disproportionate impact of communicable disease in First Nations communities, it may be more appropriate to roll funding into other grant processes to support ongoing health service delivery and capacity.		Yes
Nursing and Midwifery Academy	Policy Approval is required. \$28M over three years (to commence 2024/25 FY) has been committed to construct a six story building to house the Academy.	30/6/25	Funding and timeframes were announced in the 2025 Budget papers.	Delayed commencement, may require extension to the funding period.	Yes

Indigenous Health Scholarship Program	Policy Approval needs to be sought to approach the market under a targeted competitive tender to find a First Nations provider to transition the Indigenous Health Scholarship Program to in 2025. To seek approval for the new Grant Opportunity Guidelines for the Indigenous Health Scholarship Program before the targeted competitive tender is released.	20/5/25 15/6/25	Policy Approval needs to be sought to approach the market under a targeted competitive tender to find a First Nations provider to transition the Indigenous Health Scholarship Program to in 2025. To seek approval for the new Grant Opportunity Guidelines for the Indigenous Health Scholarship Program before the targeted competitive tender is released.	Grant will not be fina end of 2025 and Firs scholars could pote impacted.
Australian General Practice Training Program	Approval of Grant Opportunity Guidelines for the AGPT Program.	6/6/25	Grant Opportunity Guidelines need to be published in June to ensure sufficient time for grant processes to allow for continuation of the AGPT Program (>\$1b over 5 years) from 1 January 2026. Delays in execution of the new agreements could lead to significant disruption in the training program, including disruption to service provision by the almost 3000 FTE registrars currently training in the community.	
Australian General Practice Training General Practice Training Support Activities	Approval of Grant Opportunity Guidelines for the AGPT General Practice Training Support Activities.	6/6/25	Grant Opportunity Guidelines need to be published in June to ensure sufficient time for grant processes to allow for continuation of the AGPTGeneral Practice Training Support Activities from 1 January 2026. Delays in execution of the new agreements could lead to significant disruption in the training program, including disruption to service provision as outlined for the AGPT Program.	Delays to grant oppo significant risk of pr service provision dis
Building the GP Workforce - Primary Care Medical Commonwealth Supported Places	This grant opportunity is currently in the design phase. Approval of Grant Opportunity Guidelines. This grant opportunity is being implemented in collaboration with the Department of Education. Delegation for all grant opportunity decisions will involve both departments.	30/6/25	The entire design phase of the grant opportunity, including all policy approvals, should be completed prior to 30 June in order for the GOG to be advertised on GrantConnect in July 2025. This will allow time to complete the select and execution phases of the grant opportunity prior to the end of the calendar year. Critical tasks to be completed prior to 30 June 2025 are seeking policy approval to proceed with the grant opportunity and a second MinSub to seek policy approval to approach the market. Policy approval will need to be obtained in both cases from DoHAC and the Department of Education.	The grantees will no CSPs to prospective 2026 academic yea
Specialist Training Program (STP)	The STP funding agreements expire at the end of 2025. A decision regarding a 12 month extension of the funding pending a redesign of the program in 2026 is required. An extension would include the Emergency Medicine Education and Training Program (EMET).	30/5/25	Non-GP specialist medical colleges are already voicing concerns regarding continuity of training posts in 2026 as it takes over 12 months to recruit for posts. Any further delays will intensify these issues - A decision regarding a 12 month extension of the current program is required whilst a redesign of the program is undertaken in 2026.	A likely reduction in STP posts in 2026 du of colleges to recrui
Medical Physicists Support Program (MPSP)	The MPSP funding agreement expires on 31 December 2025. - A decision regarding a 12 month extension of the funding pending a redesign of the program in 2026 is required.	31/5/25	<ul> <li>The Australasian College of Physical Scientists and Engineers in Medicine (ACPSEM) are growing increasingly concerned regarding the continuity of this ongoing following it's recently completed independent evaluation (undertaken by KPMG).</li> <li>Due to the nature of distributing the grants to successful health settings to support medical physicist training, this takes significant time (between 9 - 12 months). Any further delays will exacerbate issues.</li> <li>A decision regarding a 12 month extension of the current program is required whilst a redesign of the program is undertaken in 2026.</li> </ul>	A likely impact on al training grants to he to lack of sufficient t ahead of the 2026 tr

inalised before the First Nations otentially be	Yes
oportunity and program and disruption.	Yes
oportunity and program and disruption.	Yes
not be able to offer ive students for the ear.	Yes
in the number of 6 due to the inability ruit.	Funding is ongoing
ability to distribute health settings due nt time to prepare 5 training year.	Funding is ongoing

Market Adjustment Program - Grant funding to support Upper Hunter Shire Council (Council) with an orderly closure of Gummun Place Hostel	The Minister for Aged Care is the delegate for MAP grants. Eligible at-risk providers can be invited to apply for a grant under the Market Adjustment Program (MAP) to support the transition or closure of the services, provide emergency funding or support initiatives aimed at improving business capability, where those activities otherwise would not occur without government intervention. The Council will be invited to apply for MAP - Stream 2 (Sale or closure) funding of up to \$1.3m (GST excl) to cover closure costs and operational losses.	5/5/25	s47G	Lack of financial re- result in a disorderl place continuity of residents at risk.
Market Adjustment Program - Grant funding to support Cootamundra Health Care Co-operative Ltd with improvement of business operations for Adina Care	The Minister for Aged Care is the delegate for MAP grants. Cootamundra will be invited to apply for funding of up to \$2.0m (GST excl) under the Market Adjustment Program (MAP) Stream 1 (Improvement of business operations) to cover the costs of essential repairs and maintenance to support resident safety and comfort.	5/5/25	s47G	The unreliability of will pose an increa quality of care and throughout extrem winter and summe
Market Adjustment Program - Grant funding to support the transition of Ardrossan Seaview to Eldercare Inc.	The Minister for Aged Care is the delegate for MAP grants. Eldercare will be invited to apply for funding up to \$3.8m (GST excl) under the Market Adjustment Program (MAP) Stream 2 (Sale or closure) to facilitate the transfer of Ardrossan Seaview from Ardrossan Community Hospital Inc to Eldercare.	15/5/25	s47C, s47G	
Market Adjustment Program - Extension of the Grant Opportunity Guidelines	A ministerial submission will be progressed to seek Policy Approval for the provision of additional funding and an extension of the Market Adjustment Program to 30 June 2026. To facilitate this extension, the Grant Opportunity Guidelines (GOGs) will be updated to reflect the new end date. The updated GOGs will be sent to the Department of Finance for their review.	The the	On 5 November 2024, Policy Authority was given to extend the Market Adjustment Program through to 30 June 2026 as part of MYEFO Terminating Measures Final Recommendations. This approval included the provision of additional funding of \$31 million and an extension of the program by 12 months to 30 June 2026. <u>\$47C</u> Once received, the Policy Approval submission will be progressed to the Minister's Office and updated GOGs will be sent to the Department of Finance for their review.	The current MAP gr June 2025. Withou Approval, the depa funding mechanisr support providers a failure.

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Funding to support the transition of aged care service delivery on the Anangu Pitjantjatjara Yankunytjatjara (APY Lands)	Under the National Aboriginal and Torres Strait Islander (NATSIFAC) Program, eligible providers can apply for funding to support to ensure a seamless transition of aged care services Policy Approval will be sought.	30/6/25		Lack of financial res the transition could of care and safety o at risk.
Funding to United Care for a further financial year (2025-26) to enable the (Aged Care Workforce) Remote Accord to continue to operate and work with the Department during the first year of the implementation of the new Aged Care Act	Policy Approval is required.	30/6/25	The Remote Accord aims to achieve an adequate, trained and supported workforce that meets the needs of remote and very remote communities. It does this by supporting communication among the remote and very remote provider sector and between the sector and government, this is seen as particularly critical as the new Act is implemented.	Current funding for the Remote Accord 2025.
Specialist Dementia Care Program - 2025 Guidelines	Grant Opportunity Guidelines approval. Guidelines are being updated for upcoming rounds.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service p
Extension of Remote Accord Measure	Grant Opportunity Guidelines approval.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service pr
Mental Health Multidisciplinary Services	Grant Opportunity Guidelines approval. Provides wrap around care for people with severe and/or complex needs in primary care settings, through the design and delivery of mental health multidisciplinary services.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service pr
National Centre of Excellence in Youth Mental Health (NCEYMH)	Policy Approval is required. Policy approval will be sought through a combined MHSPD submission. Through PEFO the Government provided an additional \$3.6 million in 2025-26 for Orygen to support the continued operation of the NCEYMH. This is in addition to the \$4.8 million in 2025-26 for the NCEYMH (provided through MYEFO 2024-25).	30/6/25	This funding will allow the NCEYMH to continue the same work program and activities as are currently being delivered in 2024-25.	Some activities of th have to cease and/o until funding is prov

esources to support	Yes
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provision.	Yes
provision.	100
provision.	Yes
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the NCEYMH may	Funding for this measure will be met
l/or be put on hold	from within existing resources of the
ovided.	department.

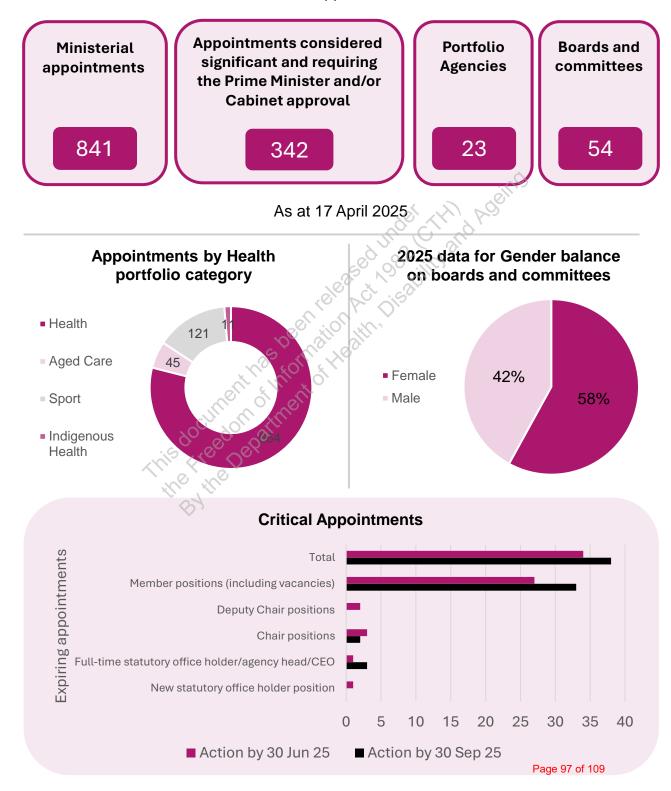
Supporting Australian Communities	Policy Approval is required. In 2025-26 Budget, \$1.5M	Must be on or before	Critical service delivery to support Australian communities impacted by the ongoing	If decision is not made it will disrupt	Yes, 2025-26 Budget measure,
Affected by the Hamas-Israel Conflict	provided to extend Supporting Australian Communities Affected by the Hamas-Israel Conflict measure to 30 June 2026. Delivering mental health supports and services for Australians impacted by the conflict in the Middle East. Funding will provide \$750,000 to PASTT and \$750,000 to targeted PHNs to continue services.	30/6/25	conflict in the Middle East.	service continuity - mental health supports will be impacted including the witness to war phoneline, and stakeholder relationships will be strained.	funding has been provisioned in Mental Health Program 1.2
Digital Mental Health Program - Continued Funding	Approval will need to be sought, once Department of Finance agrees to a risk rating, for the release of grant guidelines and publishing of grant opportunity. This will need to occur in parallel to undertaking mitigation strategies to lower legislative medium risk rating.	23/5/25	In order to ensure service continuity of critical digital mental health services, grant agreements must be in place by 1 July 2025. This means the immediate release of grant guidelines following caretaker will be necessary.	Impact to service provision to vulnerable help-seekers	Yes - 2025-26 Budget
	5 FASD related grant extension activities totalling \$2.9 million over 1 year (across 4 measures announced in the 25- 26 Budget) will require policy approval from the Minister.	30/5/25	Approval by 30 May (or as soon as possible) is required to minimise the risk of impacts to service delivery and provide advice of the Minister's decision to impacted organisations before their current agreements cease.	No decision, or a delayed decision will significantly impact immediate/short-term service delivery and long-term organisational capability and planning, including adverse impact on staff retention.	Yes - announced as part of the 25-26 Budget (see Budget paper 2 page 52) \$2.9 million in 2025–26 to extend funding for fetal alcohol spectrum disorder (FASD) prevention, diagnosis and support activities to support Australians living with FASD, their families and carers.
Drug and Alcohol Review Journal	Grant Opportunity Guidelines approval is required for continued funding to the Australasian Professional Society on Alcohol and other Drugs (APSAD) for the Drug and Alcohol Review (DAR) Journal, which is currently funded to 30 June 2025.	by 30/6/25	Funding for the DAR facilitates the online publication of multi-disciplinary original scientific research in the drug and alcohol field, both within Australia and worldwide. The DAR is the only professional journal covering the alcohol and other drug field produced within Australia and represents an important source of information to clinicians, researchers, policy makers, and drug and alcohol service administrators. The DAR has received Commonwealth funding since 2006.	Delayed funding to this organisation may impact the quality and reputation of the Journal.	\$160,000 (GST exclusive) over four years, from 2025-26 to 2028-29.
Alcohol and Drug Information Network	Grant Opportunity Guidelines approval is required for continued funding to the Alcohol and Drug Foundation (ADF) for the Alcohol and Drug Information Network (ADIN),which is currently funded to 30 June 2025.	by 30/6/25	Funding for the ADIN will support Australian's access of evidence-based AOD information by increasing the quantity and quality of Information Service offerings. The ADIN has been a central point of access to quality-assured, internet-based alcohol and other drug information since 2001.	Delayed and uncertainty in funding may lead to loss of staff, reduced quality of information service offerings and reduced utilisation of the ADIN.	\$2.6 million (GST exclusive) over four years, from 2025-26 to 2028-29 .

Alcohol, Tobacco and Other Drug Research Centres			The ATOD research centres have a long history of funding to deliver their work; NDARC since 1985, NDRI since 1985, NCETA since 1992, NCYSUR and NCCRED since 2017. s47C, s47E(d)	Delayed and uncertainty in funding may lead to loss of quality researchers and staff, leading to delays in research projects and diminished research outputs over the medium term.	\$18.415 million (GST exclusive) over two years, from 2025-26 to 2026-27.	
Expansion of Serentity House, National Paediatric Telecare Services, and Community Based Addiction Services in NSW/ACT Primary Health Networks	Policy approval and Grant Opportunity Guidelines approval.	1/6/25	The three projects relating to two Grant Opportunity processes have had policy authority approved and current agreements expire 30 June 2025. They are considered in the critical service delivery category as there are no other services to take the place of the services being delivered.	If funding is not provided in a timely manner critical services will not be delivered.	TBC – Funding potentially to be sourced through SIF, and utilise underspends within Outcome 1.	
Comorbidity Guidelines	Grant Opportunity Guidelines to be approved.	1/6/25	The current grant agreement is due to expire on 30 June 2025 and there is a risk that the grant process may not be completed by this date, resulting in a funding gap for the organisation.	without timely confirmation of funding, they may struggle to retain or	Funding will be provided through the SIF reinvestment measure. Policy Approval provided on 19 March 2025.	
Heart Foundation National Walking Initiative	\$3.2 million in 2025-26 to extend the Heart Foundation National Walking Initiative for 12 months from 1 July 2025.	30/6/25	Policy approval will be required to execute agreement.	Delayed funding and risk of program continuity.	Yes. Costs to be met from within existing Program funding.	
World Health Organization Framework Convention on Tobacco Control Knowledge Hub	Grant Opportunity Guidelines approval. The WHO FCTC Secretariat works with institutions on technical and legal areas of the Treaty.	30/6/25	Grant Opportunity Guidelines currently with DoF for risk rating and guideline review. Will require publication approval to open the grant round.	Impact to service provision.	Yes	
Long-acting reversible contraception (LARC) Access and Training Hubs	Grant Opportunity Guidelines approval. To support and train health practioners to insert and remove long-acting reversible contraception.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes	
Joint Global Programme	Grant Opportunity Guidelines approval To support the United Nations Office on Drugs and Crime (UNODC) on drug monitoring and access.	30/6/25	Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes	

Expanding Medicare Urgent Care Clinics	The Government has committed to provide \$644.3 million over three years from 2025–26 to expand the Medicare Urgent Care Clinics (Medicare UCC) Program. This will include an additional 50 Medicare UCCs across Australia, which will take the total number of Medicare UCCs to 137. A post election ministerial submission will be made to confirm delivery timeframes and proposed administrative arrangements.	30/6/25	Medicare UCCs aim to reduce pressure on hospital emergency departments by supporting Australians to access care for urgent, but not life-threatening, conditions. Medicare UCCs are open during extended business hours with no appointments or referrals required, and with no out-of-pocket costs for patients.	The Labor Government has announced locations for an additional 50 Medicare UCCs. The Coalition has announced 10 broadly aligned locations If the decision is not made in a timely manner, implementation of the new Medicare UCCs might be delayed, noting implementation is unlikely to progress until grant funding is delivered to commissioners.	Funding has been provisioned under the 2025-26 Budget, under Strengthening Medicare - Expanding Medicare Urgent Care Clinics.
Extension of the Batemans Bay Medicare Urgent Care Clinic Opening Hours	The Government has committed to extend the Batemans Bay Medicare Urgent Care Clinic (Medicare UCC) to operate 18h per day, increased from 10-12h per day. The extended service will operate seven days a week from the late 2025. Policy approval and Grant Opportunity Guidelines approval.	30/6/25	The increased Medicare UCC hours will support demand for urgent care services and address community concerns regarding the closure of the Batemans Bay Hospital, and the consolidation of ED services to the new Eurobodalla Regional Hospital, approximately 28km away.	The extension of the Batemans Bay Medicare UCC Opening Hours is a Labor election commitment. If the decision is not made in a timely manner, and grant funding is not delivered to the commissioner, implementation might be delayed.	Funding has been provisioned under the 2025-26 Budget, under Strengthening Medicare - Expanding Medicare Urgent Care Clinics.
Primary Health Network Commissioning of Multidisciplinary Teams	Grant Opportunity Guidelines approval. To commission allied health, nursing and midwifery services on a sessional basis to supplement general practice teams under the Commissioning of Multidisciplinary Teams.		Round is expected to be open in June 2025 and will require publication approval.	Impact to service provision.	Yes
Administration of the National Joint Replacement Register (NJRR)	Policy approval required. The Australian Orthopaedic Association (AOA) is funded to administer the data management related costs of the NJRR. The government announced through the Budget 25-26 a \$2.4 million increase to the funding for the NJRR over the next four years. This increases the annual funding by approximately \$600,000 (GST exc) per annum bringing the total funding to approx. \$3.3 million (GST exc + Indexation).	30/6/25	The current grant agreement with AOA expires on 30 June 2025 and there is a payment linked to the execution of the grant. Execution of the grant on or before 30 June will ensure no lapse in funding and the risk that the organisation will need to lay off staff related to the NJRR.	s47E(d), s47G	Budget 2025-26 Funding comes from a levy charged to orthopaedic device manufacturers listed on the Prescribed List and is administered to the AOA through a Grant.

## Appointments in the Health and Aged Care Portfolio 1

The health and aged care portfolio has one of the highest volumes of Australian Government board appointments in the Commonwealth.



### **Critical Decisions on Appointments up to 30 June 2025**

Board/Non-Board: Title	Position	Person currently appointed to position	Full-Time/ Part-Time	s47F	Current appointment start date	Current appointment end date	Significance	Status	Decision required	Impact if decision is not made
Aged Care Quality and Safety Commission	Complaints Commissioner	Vacant	Full-time				Significant - Cabinet	A new statutory position will commence on 1 July 2025 under s356 of the Aged Care Act 2024. The department is leading an executive recruitment process in accordance with the <i>Merit and Transparency Policy</i> to identify potential candidates. A ministerial submission will be provided to support the selection of a preferred candidate.	Identify and approve preferred candidate(s)	The Aged Care Act 2024 requires the Minister to appoint a Complaints Commissioner. Should a substantive appointment not be made by 30 June 2025, the Minister will be required to make an interim appointment. The interim appointment can be for a period of up to three months.
Independent Health and Aged Care	Member	Jane Hall	Part-time		1/02/2025	30/04/2025	Significant - Correspondence	As per section 144 of the National Health Reform Act 2011,	Agree to appointment and	The Pricing Authority may be achieve a quorum to make critical
Pricing Authority (Board)	Member	Jennifer Williams	Part-time		1/02/2025	30/04/2025		these appointments require agreement from the premiers of the states and territories. Following approval from the premiers, a ministerial submission for approval containing Instruments of Appointments and Letters of Offer will be provided. The appointments will be finalised upon the Minister signing the package and the substantive term will take effect from the date specified in the signed Instrument.	sign Instrument of Appointment for substantive term(s)	decisions around health and aged care pricing if these positions are vacant.
National Pathology Accreditation	Member	Belinda McEwan	Part-time		7/05/2022	6/05/2025	Non-significant	A ministerial submission seeking Ministerial approval for the	Agree to appointment and	The member positions must be filled for the continuing operation
Advisory Council	Member	Daniel Owens	Part-time		7/05/2022	6/05/2025		proposed appointments will be provided for consideration.	sign Instrument of	of the council. If the council cannot operate, it will have
	Member	Dianne Smith	Part-time		7/05/2022	6/05/2025	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		Appointment for	significant implications for the quality of pathology services in
	Member	Helen Savoia	Part-time		7/05/2022	6/05/2025	released of		substantive term(s)	Australia.
	Member	Helen Wordsworth	Part-time		7/05/2022	6/05/2025				
	Member	James Kench	Part-time		7/05/2022	6/05/2025	Che Der	, G <sup>or</sup>		
	Member	Kenneth Sikaris	Part-time		7/05/2022	6/05/2025				
	Member	Sarah Just	Part-time		7/05/2022	6/05/2025	Sheen allon Phil			
	Member	Tony Badrick	Part-time		7/05/2022	6/05/2025				
Australian Medical Research Advisory Board	A/g Chair	Caroline Homer	Part-time		6/03/2025	6/06/2025	Significant - Correspondence	The department publicly advertised the position. s47C	Identify and approve preferred candidate(s) for substantive term(s)	The Chair position must be filled for the continuing operation and functions of the board.
National Blood Authority (Board)	Member	Simon Towler	Part-time		21/03/2025	20/06/2025	Significant - Cabinet	This position is a state and territory (small jurisdiction representative) member. \$47C	s47C	The board will not contain a Small Jurisdiction Representative and will not meet legislative requirements.
National Health and Medical Research Council (NHMRC) Council	Member (Ex-Officio)	Vacant	Part-time	N/A			Non-significant		Agree to appoint and sign Instrument of Appointment for substantive term(s)	The council will not meet legislative requirements and may not be able to perform council powers or functions.

Board/Non-Board: Title	Position	Person currently appointed to position	Full-Time/ Part-Time	s47F	Current appointment start date	Current appointment end date	Significance	Status	Decision required	Impact if decision is not made
Australian Technical Advisory	Chair	Nigel Crawford	Part-time		30/06/2024	30/06/2025	Significant - Correspondence	s47C		The committee will not contain filled Chair and Deputy Chair
Group on Immunisation	Deputy Chair	Michelle Giles	Part-time		1/07/2024	30/06/2025				positions, which will have a direct impact on decision making
	Member	Allen Cheng	Part-time		1/01/2023	30/06/2025				abilities and prioritisation of advice. The committee will contain a
	Member	Diane Walsh	Part-time		1/01/2023	30/06/2025				large number of vacant member positions if these positions are
	Member	James Wood	Part-time	-	1/01/2023	30/06/2025				not filled. This will significantly impact on the provision of advice
	Member	Kristy Cooper	Part-time	-	25/01/2021	30/06/2025				in order to facilitate vaccines available through the National
	Member	Penelope Burns	Part-time	-	1/01/2023	30/06/2025				Immunisation Program (NIP), including the provision of vaccine evaluations to the Pharmaceutical Benefits Advisory Committee (PBAC) and sponsors. The group is unable to undertake its core business activities, in particular vaccine assessments for the NIP listing of vaccines (as part of PBAC) and providing advice to Government on vaccines and related issues, including measles
	Member	Vacant	Part-time	-						and pertussis.
Food Standards Australia New Zealand (Board)	Chair	Glenys Beauchamp	Part-time		4/11/2021		Significant - Cabinet	A submission will be provided seeking Ministerial preferences for a substantive position.	Identify and approve preferred candidate(s)	If a decision is not made before the end of the initial appointment period, the current A/g Chair may continue to hold office for a further six months as per the <i>Food Standards Australia New Zealand Act</i> 1991.
Professional Services Review	Director (Acting)	David Brand	Full-time		N/A	N/A	Significant		Agree to appoint and sign Instrument of Appointment \$47C	Due to the critical functions the Director exercises under the Health Insurance Act 1973, and as the Accountable Authority of the agency, it would cause a significant impact on the operations of the agency if the role were vacant \$47C
Professional Services Review	Member	Carol Pollock	Part-time	-	N/A	N/A	Man aignifia ant	Due to the functions of the agency, individuals are selected	Agree to sign Instrument of	Without these appointments, we may risk the not having
(Panel)	Member	Amanda Khor	Part-time		N/A		has been attorned the atth	as potential candidates based on their expertise for certain investigations. A panel appointment will be required by 26 May 2025 (due to a matter expiring in June 2025 which could require a Committee to be established). A ministerial submission will be provided recommending potential candidates to fill two panel positions.	Appointment for substantive term(s)	appropriately qualified members to investigate potential inappropriate practice. This would delay matters being considered potentially extending the period and impacts of inappropriate practices.
Aged Care Quality and Safety	Chair	Maree McCabe	Part-time		9/04/2022	8/07/2025	Significant - Correspondence	A submission seeking Ministerial consideration and approval	Identify and approve	The Council membership will not meet statutory requirements
Advisory Council	Deputy Chair	Vacant	Part-time			0,000	Q	of the proposed candidates will be provided. If approved, the	candidate(s) to be	from 1 July 2025 and the Council will be unable to provide advice
	Member	Barry Sandison	Part-time		9/04/2022	8/07/2025		package will require further consideration from the Prime	considered by Prime	to the Commissioner and Minister, nor meet and perform council
	Member	Julie Dundon	Part-time		9/04/2022	8/07/2025		Minister/Cabinet.	Minister/Cabinet	powers under the Aged Care Act 2024 .
	Member	Vacant	Part-time	N/A	, X	1. 19	1			
	Member	Vacant	Part-time	N/A		Ø,				
	Member	Vacant	Part-time	N/A						

Total positions: 34 New Statutory Office Holders: 1

Statutory Office Holders: 1

Committee/Board: 32

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# Department Operations

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## **Financial Overview**

## **Appropriation Framework**

All Commonwealth money is contained in a single Consolidated Revenue Fund (CRF). Spending CRF money without an appropriation authorised by Parliament would be a breach of section 83 of the Constitution. There are two main categories of appropriations: Annual Appropriations and Special Appropriations. Special Accounts are a limited Special Appropriation that notionally sets aside an amount that can be expended for listed purposes. Revenue may also be received by the Commonwealth into (and spent out of) the CRF, and must also be authorised by a Special Appropriation/Special Account.

<u>Annual Appropriations:</u> Provide funding on an annual basis to support the activities of government. There are two types of annual appropriations:

• Bill 1 (Act 1 when passed), introduced to Parliament as part of Budget, provides funding for the ordinary annual services of the government, including departmental operating costs, ongoing departmental capital, and administered outcomes that have been previously authorised by parliament. Bill/Act 3 updates this funding after the Mid-Year Economic and Fiscal Outlook/Additional Estimates (MYEFO/AEs) process. Bill/Act 5 and/or Emergency Bills/Acts may also occur as necessary.

• Bill 2 (Act 2 when passed), also introduced as part of Budget, provides funding for services other than the ordinary annual services of the government, including departmental non-operating costs (equity injections), new departmental capital (new projects aligned to budget measures), administered capital, administered operating costs that fall within an outcome not previously authorised by parliament (new administered outcomes), and some payments to the states and territories. Bill/Act 2 updates this funding after MYEFO. Bill/Act 6 and/or Emergency Bills/Acts may also occur as necessary.

<u>Special Appropriations:</u> A special appropriation is a provision within an Act (that is *not* an Annual Appropriation Act) that provides authority to spend money for particular purposes.

Special Accounts are a type of limited Special Appropriation that notionally set aside an amount that can be expended for specified purposes.

• Significant special appropriations in Health include the *Aged Care Act 1997* providing a special appropriation to fund residential aged care and home care packages, and the *Health Insurance Act 1973* providing a special appropriation to fund private health insurance rebates.

• Significant special accounts in Health include the Medicare Guarantee Fund (Health) Special Account established by the *Medicare Guarantee Act 2017*, and the Medical Research Future Fund (MRFF) Health Special Account established by the *MRFF Act 2015*.

**Revenue** may also be received by the Commonwealth into (and spent out of) the CRF and must also be authorised by a Special Appropriation (or Special Account).

• Significant revenue streams in Health include regulatory costs recovered from industry by the Therapeutic Goods Administration (TGA) and revenue from pharmaceutical companies under the statutory price disclosure provisions of the Pharmaceutical Benefits Scheme.

## **Departmental Funding Overview**

This is funding available to Health and Aged Care to meet the costs of managing the department, and can be operating or capital:

- 1. Operating including, but not limited to, staff salaries and associated on-costs (e.g. superannuation), property, IT support, training and development. Once departmental funds have been appropriated, the Accountable Authority (Secretary) has control and discretion in allocating these resources.
- Capital funds internally developed assets (such as software), and funds activities that extends or improves the useful life of an existing capital asset (such as building fitouts or IT system enhancements). Note, any expense that maintains an asset in its current condition (e.g. property maintenance or software licencing) is considered an operating, not a capital, expense.

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'m	\$'m	\$'m	\$'m	Stm poe	\$'m	\$'m
Appropriation	1.019	1.067	1.325	1.691	1.596	1.021	0.893
Increase/(decrease) (\$'m)	-	0.047	0.258	0.366	(0.095)	(0.575)	(0.128)
Increase/(decrease) (%)	-	5%	24%	28%	(6%)	(36%)	(12%)
Departmental Capital	14.269	14.517	19.708	21.455	15.557	13.260	13.405
Capital (NPP)	114.781	180.271	221.949	21.545	141.628	35.378	2.615

The departmental appropriation profile as at the 2025-26 Budget:

In addition, revenue received into the TGA Special Account and the Australian Industrial Chemicals Introduction Scheme (AICIS) Special Account is available to meet the costs of operating those regulatory schemes within the department (funding for the Office of the Gene Technology Regulator is included in the appropriation amounts shown above):

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	\$'m						
Own source revenue	0.235	0.236	0.233	0.248	0.253	0.260	0.260

The reduction in departmental operating appropriation in the forward years is driven by the timelimited nature of budget measures, primarily in relation to the department's Aged Care investment including the New Aged Care Act, investment in Aged Care Digital Transformation program and termination of COVID -19 vaccination programs. The department seeks to manage within its appropriation each year, consistently recording modest operating surpluses (excluding the impact of accounting adjustments: 2021-22 \$17.6m, 2022-23 \$13.0m, 2024-25 \$54.1m). This effective management of appropriation stems from strong financial management principles and seeking additional funding through Budget and MYEFO measures where required.

## **Administered Funding Overview**

Funding available to Health and Aged Care to support programs of Government which the department is 'administering' on behalf of Government. Overwhelmingly operating funding, but can also be capital in nature, the Accountable Authority does not have discretionary control over this Administered funding. It must be administered in accordance with policy authority from Government and legislative authority from Parliament.

The department has established sound financial management practices, in line with the *Public Governance Performance and Accountability Act 2013* (PGPA Act) and internal Finance Business Rules to provide clear oversight of its administered program funding to the Accountable Authority.

	A THIN P	<u>9</u>
Appropriation Source	L'ILO CO MO	Budget
	CASE NOOV JUN	(\$m)
Appropriation Bill 1	, ret, po Dise	18,038.7
Appropriation Bill 2	Dec ation attr	299.4
Special Accounts	125 toll the	46,589.3
Receipts	all all and	57,593.2
Total	Colling College	122,520.5

Total 2025-26 Portfolio Administered Resources

Source: Health and Aged Care Portfolio Budget Statements 2025-26, Budget Related Paper No.1.9

An additional \$35 billion will be expended through the Department of the Treasury in payments to the States and Territories under the National Hospital Reform Agreement and other National Partnership Agreements. (page 18:

https://budget.gov.au/content/bp3/download/bp3\_03\_part\_2\_overview.pdf).

Programs servicing a particular population, such as Medicare Benefits, Pharmaceutical Benefits, Immunisation and Home and Residential Care are demand driven. The appropriation provided to these programs is estimated based on the anticipated level of demand expected from these programs. The total appropriated through Special Appropriations and the Special Accounts for these programs in 2025-26 is \$104.2b.

Appropriation Bill 2 provides funding for programs designed to support the purchase of items that will become an asset to the Commonwealth.

Grants are the primary mechanism for distributing discretionary funding. The whole of government grant administration policy including the Commonwealth Grants Rules and Principles (CGRPs) informs the design of grant opportunities, assessment and selection of grantees and the establishment of grants through grant hubs.

This policy requires that Grant Opportunity Guidelines (GOGs) be developed, approved, and published on GrantConnect. Consultation with the Department of Finance is required and, if the legislative, constitutional or implementation risks are medium or high, the approval of the Finance Minister is also required.

The department has robust processes in place to ensure grant administration is undertaken in accordance with the grant policy framework. The department currently has 14,235 active grants involving more than \$9.6 billion in administered expenditure (in 2024-25), which are being managed by the department collaboratively with the Community Grants Hub, the National Health and Medical Research Council (NHMRC) and the Business Grants Hub.

## Financial Performance 2024-25 (to 31 March 2025)

In departmental operational funding, Health and Aged Care has recorded a small operating surplus of \$11.2 million against a consolidated appropriation year to date (31 March) budget of \$1.3 million and special account revenue of \$187.2 million. Health has an approved operating loss for 2024-25 of \$27.6m which comprises \$18m for the investment in critical systems infrastructure and \$9.6m technical loss for the reclassification of capital. The forecast result for the 2024-25 full year is a small deficit which will be within the approved operating loss.

In departmental capital, Health and Aged Care has recorded actual expenditure of \$84.7 million compared to a year to date 31 March budget of \$87.2 million. The forecast result for the 2024-25 full year is an underspend of \$3.3 million, or 3%. Unused capital funding is expected to be the subject of a movement request to be considered by the Finance Minister in the lead in to MYEFO 2025-26.

In administered, Health and Aged Care has recorded a year-to-date underspend of \$457.6m (0.6% of total appropriation). The table below provides the details of the variances by administered appropriation source:

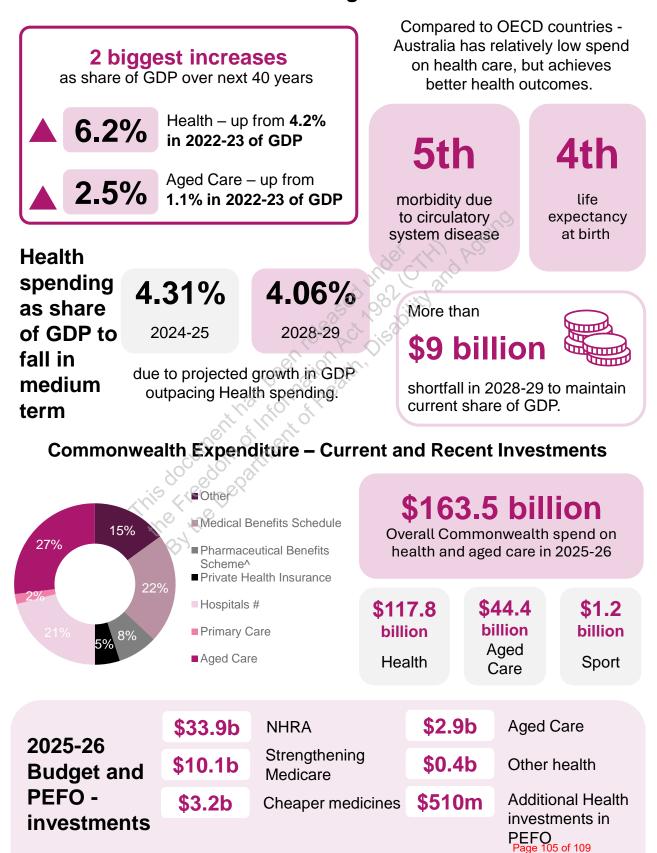
Appropriation Source	Mar YTD Bunget	Mar YTD Actuals	YTD Variance	Variance
KOCUT	S(\$mj)	(\$m)	(\$m)	%
Appropriation Bill 1	11,895.7	11,584.0	(311.6)	(2.6%)
Appropriation Bill 2	34.0	71.5	34.5	110.2%
Special Accounts	38,870.4	38,778.4	(91.0)	(1.1%)
Special Appropriations	31,533.9	31,442.5	(91.5)	(0.3%)
Total	82,334.0	81,876.4	(457.6)	(0.6%)

The variances primarily result from changes in demand for program funding and the timing of payments.

s47C, s47D, s47E(d)

## **Budget Overview** Trends and forecasts

## Health and Aged Care



## **Budget Overview**

## **Commonwealth Health and Aged Care Expenditure**

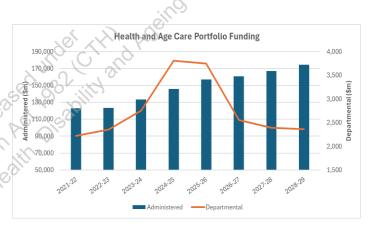
## **Election Commitments**

- New funding required for key election commitments, including mental health, 1800MEDICARE, new health infrastructure and services, men's health and medical research.
- A few routine matters will likely need expedited authority by the Prime Minister in the first month.

## **Budget Opportunities and Challenges**

## Funding Cliffs

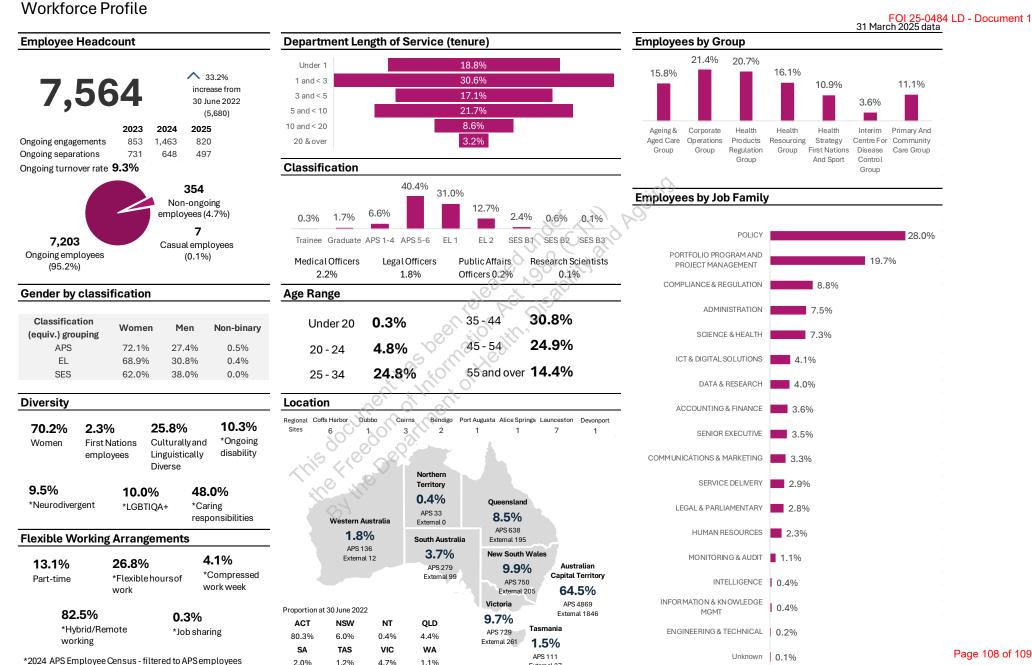
- Departmental funding over forward estimates Portfolio level departmental funding down by 38% by 2028-29 driven by terminating measures for reforms, while Administered funding increases by 20%.
- Terminating Measures at least 100 measures due to expire by 30 June 2026, the majority of which include service delivery and will require consideration.



## **Offset Requirements**

- Expenditure predominantly **demand driven** and driven by demographic and other factors such as health service demand and new health technologies (PBS, MBS, Hospitals, Private Health Insurance, Aged Care) **around 80**%
- **Remaining 20%** of expenditure is mainly **health system enablers and critical services** (e.g. workforce programs, mental health services, Primary Health Networks) that have evolved over time.
- Budget rules generally require new expenditure to be offset, with exceptions sometimes agreed for significant whole of government priorities and usually for election commitments.
- It is increasingly difficult to identify meaningful offsets for the quantum of new investment required to deliver health system reform and maintain critical services, without undermining access and affordability.
- Majority of demand driven programs are treated as estimate variations and not subject to offsetting requirements. Opportunities exist to reconsider scope of standing offset exemptions and whether additional programs or expenditure should be considered 'demand driven' with offsets required only for areas of true discretion.
- s47C, s47E(d)





Sources: MyWorkforce (HR Reporting) and 2024 APS Employee Census Health and Aged Care Results

2.0%

1.2%

4.7%

1.1%

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## **Establishing your office**

## **Responsible Partners**

#### **Department of Health and Aged Care**

- IT Support wiring and supply of IT systems within APH suite and Electorate Office
- VIP IT Support
- Departmental Liaison Officer
- Support for security clearances for ministerial staff onboarded to departmental network
- Online subscriptions for sector publications
- B-class safe(s), secure waste bin(s) and shredder
- Security briefings and Security Awareness training for ministerial staff onboarded to the health network
- COMCAR management of Comcar account and payment of invoices
- Provision and cost of a private-plated vehicle, based in Canberra, in lieu of Comcar, if preferred
- Water coolers
- Pot plant hire
- General stationery including paper, toner and ink cartridges for APH printer
- Business cards
- Portfolio related courier service
- Media monitoring and provision of media equipment

## Department of Finance (Ministerial and Parliamentary Services (MaPs))

- Office furniture and fittings, signage
- Office audio visual equipment
- Post office boxes and fixed telephone services
- Supply costs incurred at Electorate Office
- Commonwealth Parliamentary Office
- Security clearances for ministerial staff

#### **Department of Parliamentary Services**

- APH Security
- Standard office fit out (including TVs)
- Work health safety arrangements
- Office moves
- Support for Parliament and parliamentarians
- First Aid kits for House of Representatives common areas

## **Minister Office Establishment**

The department will provide administrative, security and technological support to you and all staff employed under the Members of Parliament (Staff) Act (MoPs Act). The Ministerial Office Support team is responsible for providing administrative support to each Minister's office, including managing accounts with vendors and invoice payments. The team is also the conduit between your office and the department's Security, IT and Communication teams.

Various supports are also provided by the Departments of Finance and Parliamentary Services. On the left is a summary of products and services that are provided.

## **Departmental Liaison Officer**

The Prime Minister sets the Departmental Liaison Officer (DLO) allocation for each ministerial office. DLOs are recruited and trained by the department for placement in ministers' offices. All costs of these employees are covered by the department.

## IT and Office Support

The IT and Ministerial Office Support teams work in close contact with your office, particularly during the initial days of office setup. This includes onboarding ministerial staff to the departments' IT systems and procuring required IT equipment including laptops and mobiles.

## **Security and Cyber**

The Ministerial Office Support team will liaise with the Security team when on-boarding your staff to ensure relevant security clearances are obtained and appropriate access is provided. The Ministerial Office Support team can also help to facilitate Security and Cyber Security briefings in line with the <u>Australian Government Protective</u> <u>Security Policy Framework (2024)</u> (www.protectivesecurity.gov.au).

### Contact

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