



# A stronger health system for all Australians



## Summary

The 2026–27 Budget continues the Australian Government’s reforms to strengthen Medicare and ensure all Australians can access affordable, high-quality health care when and where they need it.

It delivers more aged care beds and shorter wait times for Support at Home to meet the accelerating demand for aged care.

It implements measures to restore the National Disability Insurance Scheme (NDIS) to its original intent of supporting people with permanent and significant disability, and secures the scheme for future generations.

An additional \$25 billion will be provided to public hospitals, including \$24.4 billion through the 2026–31 National Health Reform Agreement (NHRA). This takes the total Commonwealth funding to a record \$220 billion from 2026–27 to 2030–31.

The Australian Government’s Medicare Urgent Care Clinics will be funded as a permanent feature of Australian health care, reducing pressure on hospital emergency departments and giving Australians continued access to free urgent care.

The Australian Government is continuing to make medicines cheaper through its investments in the Pharmaceutical Benefits Scheme (PBS). This means greater access to new life-saving and life-changing treatments for Australians.

Since July 2022, the Australian Government has approved extra funding for 441 new and amended listings on the PBS. This builds on reforms that have already saved Australians more than \$2.6 billion on medicines since 2022. This includes the introduction of 60-day prescriptions, freezing the concessional PBS co-payment to 2030 at \$7.70, and reducing the general PBS co-payment to \$25.

Health and medical research is the foundation upon which new health treatments and technologies can be discovered and commercialised. Increased funding will attract the world's best health and medical researchers and more investment into Australia and position the nation as a global leader in the field.

To meet the accelerating demand for aged care, the Budget delivers more residential aged care beds, where they are needed most. It means every older Australian can access the world-class care they deserve no matter where they live. For those wanting to stay in their own home for longer, Support at Home places will be made available sooner and personal care services, like showering, will be fully funded.

Changes to the NDIS will return it to its original intent of supporting Australians with significant and permanent disability. While the NDIS has been life-changing for many, costs are continuing to rise rapidly, participants do not always get good-quality supports, and it has become a target for fraud. This Budget will help ensure quality care and support continues for people with disability, including for those living in regional, rural and remote communities, while securing the NDIS for future generations.

## Who benefits

### Strengthening Medicare – \$3.5 billion

#### Medicare Urgent Care Clinics

**Medicare Urgent Care Clinics will become a permanent feature of our health system, giving Australians ongoing access to free, urgent care 7 days a week across extended hours.**

Medicare Urgent Care Clinics have been a gamechanger for Australians and have become a vital part of the country's health system. Since the first clinic opened in June 2023, Australians have accessed free urgent care almost 3 million times.

The clinics help local hospital emergency departments (EDs) to focus on more serious and life-threatening conditions.

A recent independent review found the clinics have reduced presentations at EDs by around 10% nationally, and 45% of patients said they would have gone to hospital or called an ambulance if the clinic was not available.

By 30 June 2026, 4 out of 5 Australians will live within a 20-minute drive from a local Medicare Urgent Care Clinic.



## Case study

Shannon and Taylor live in Launceston with their 5-year-old daughter Mila. One Sunday morning, Mila trips during a game of soccer and badly injures her wrist. Their regular GP is closed, but they don't want to wait all day in the emergency room.

Luckily the Launceston Medicare Urgent Care Clinic, one of 137 clinics across Australia, is not far away. The family walks in with no appointment and is quickly seen by a doctor. The doctor rules out any serious injury and straps Mila's wrist. The visit is fully bulk billed, meaning the family doesn't pay anything.

### More bulk billing

**More Australians will get additional access to bulk billed GP services thanks to up to 6 new fully bulk billed GP clinics in the Newcastle, Central Coast, Lake Macquarie and Lower Hunter regions.**

The bulk billing rate in this part of the country is significantly lower than the national average.

The clinics will deliver 155,000 bulk billed GP services each year, ensuring local families have access to free primary care and women's health services in areas with historically low bulk billing rates.

Thanks to the government's significant investments in bulk billing, about 97% of

Australians now live within a 20-minute drive of a bulk billing doctor.

Almost 3,800 Medicare Bulk Billing Practices are now registered across the country.

By 2030, 9 out of every 10 GP services will be bulk billed, saving Australian patients and families hundreds of dollars a year in out-of-pocket costs.

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Thousands of women will be able to access long-acting reversible contraceptive services from participating midwives, with changes to the Medicare Benefits Schedule (MBS).

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## First Nations health

**First Nations people will have better access to life-sustaining, culturally safe care within their community and on Country.**

More First Nations mothers will be able to access Birthing on Country services with funding for 10 activities across urban, rural, remote and very remote locations delivered by or in partnership with Aboriginal Community Controlled Health Services (ACCHS).

Birthing on Country services help improve the number of babies born with a healthy birthweight. They also employ local midwives and nurses in rural and regional communities, providing additional workforce opportunities.

There will be better access to culturally safe crisis support for more First Nations people with a funding boost to 13YARN. The investment will help manage growing call demand, continue vital community and digital engagement and establish a new crisis support text line.

ACCHS and the communities they serve will also benefit from new or renovated health clinics and associated housing for health professionals, particularly in regional and remote areas.

The government is continuing to support the building and operation of dialysis units in remote and very remote communities to facilitate over 12,650 treatments per year.

First Nations people experience the highest burden of kidney disease and access to culturally safe dialysis can help improve and extend a person's life.

## Protecting eye injection costs

**Patients receiving eye injections in private hospitals won't see an increase in their out-of-pocket costs.**

Intravitreal eye injections (IVI) will not be reclassified as out of hospital services, so there will be no change to patients' ability to make private health insurance claims for the procedures.

All patients receiving IVI services will continue to access MBS rebates, regardless of whether they have their injections in or out of a private hospital.

## A stronger, more connected health system

**Protecting the integrity and sustainability of Medicare and the PBS, and making them more efficient and connected, is essential to ensuring all Australians continue to access affordable, high-quality health care.**

Patients and health professionals will be able to access more reliable and timely health information through further improvements to My Health Record (MHR), delivering the next stages of the government's 'share by default' reforms.

This will reduce unnecessary testing and empower 24.8 million Australians with a MHR, especially those living with chronic conditions, to actively manage their health.

Integrity reforms will crack down on fraud and non-compliance under Medicare and the PBS, saving hundreds of millions of dollars that can be better spent on supporting patients.



## Case study

Rohan and his wife Samira are both 76 and live in Melbourne. Rohan has macular degeneration and has been receiving intravitreal eye injections (IVI) at the local private hospital.

Thanks to the decision to not reclassify IVI as out of hospital services, Rohan will continue to be able to make private health insurance claims for these procedures.

Rohan and Samira are also now both eligible to get a free vaccine to protect against respiratory syncytial virus (RSV). Without listing on the National Immunisation Program (NIP) it would cost them \$300 each. The Arexvy® vaccine is being added to NIP for Australians aged 75 years and older and First Nations people aged 60 years and older.

## Cheaper Medicines – \$6.5 billion

**All Australians benefit from timely access to affordable medicines. When more effective medicines are available and affordable, people can better manage their health, reduce complications, avoid hospital and stay engaged in work and society, contributing to a stronger economy.**

**The 2026–27 Budget includes \$5.9 billion in funding for new and amended PBS listings.**

Older Australians will have free access to the best and most comprehensive protection against respiratory syncytial

virus (RSV), a common respiratory virus that affects the nose, throat and lungs.

Families and children will have better access to vaccinations as the National Immunisation Program Vaccination in Pharmacy (NIPVIP) expands and an enhanced childhood immunisation campaign rolls out.

Children under 5 will be able to access vaccinations in pharmacies, and families will receive SMS reminders and targeted information to support higher vaccination rates.

New medicines and treatments will be available to Australians sooner.

The Commonwealth will begin consultation on options to ensure Australians have fast access to life-saving medicines and changes to prescribing practices to consider if

biosimilar medicines should be the default for new prescriptions.

These actions will help ensure the system continues to provide Australians with world-class access to medicines while preparing to meet the needs of Australians into the future.

## Investing in world-class research – \$589 million

Building on the government’s work to fast-track access to new medicines, increased investment in health and medical research through the Medical Research Future Fund (MRFF) will improve health outcomes for Australians. This will grow the economy and help bring new treatments and technologies to market. It will foster innovation through coordinated, long-term investment.

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This will increase the MRFF investments each year from 2026-27 up to \$1 billion annually by 2030-31.

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Reforms to clinical trials will make it easier for patients, researchers and sponsors to find, conduct and participate in research. This includes the next steps in establishing the National One Stop Shop, a national platform to support all health and medical research.

Approximately 95,000 Australians participate in a clinical trial annually. The National One Stop Shop will boost the number of participants and give Australians early access to emerging treatments and therapies.

Continued support for the Precision Oncology Enabling Clinical Trials (PrOSPeCT) Program will provide access to comprehensive genomic profiling for more patients with advanced, poor-prognosis and treatment-resistant cancers.

## More beds, faster access to places and better care for older Australians – \$3.7 billion

### Residential Aged Care

**More older Australians will be able to access the high-quality residential aged care they need, now and into the future.**

Supported residents who don’t have the means to pay for their care will have access to more aged care homes and

more beds thanks to 2 new building subsidies for providers.

New homes will receive a new payment of \$30 per supported resident per day. Existing homes that undergo a significant expansion – increasing the number of beds by 40% or more – will receive an

extra \$15 per supported resident per day.

Supported residents will also benefit from increases to the accommodation supplements paid to providers from 2027. Responding to a key recommendation of the Residential Aged Care Accommodation Pricing review, the more supported residents a home cares for, the more they will receive.

Homes that have more than 60% supported residents will get an additional top-up payment from 2028.

The government is consulting on options to further boost the number of aged care beds, as recommended by the review. Options include an interest free or low-interest loans scheme, increased accommodation pricing flexibility for higher means residents and an expanded Aged Care Capital Assistance Program.

Changes to the means assessment for residential aged care means First Nations people who have received a state or territory Stolen Generations redress scheme payment will no longer have that payment means tested as an asset for residential care.

### Additional dementia support

More Australians living with dementia will get the specialist care they need, with more support to move out of hospital and into aged care sooner.

The successful Hospital to Aged Care Dementia Support Program will be expanded to 20 locations. The program offers support to people living with dementia to access appropriate aged care when they are transitioning out of hospital.

An additional 20 Specialist Dementia Care Program units will support those with very severe symptoms of dementia who cannot be cared for in a mainstream residential aged care facility.

This investment means older people getting the care that is right for them and freeing up hospital beds for patients with more urgent medical conditions.

### Aged care support in your own home

More people will be able to live in their own home for longer with Support at Home places being delivered faster to increase supports and continue to bring down waiting times for these highly sought after services.

Those who need help with personal care, including showering and continence management, will have that support fully funded under Support at Home. Those who need them won't have to pay out-of-pocket costs for support that is so important for maintaining dignity and hygiene.

Australians facing difficulty paying for aged care services will receive more support, with the application process for hardship arrangements to be digitised and simplified, removing barriers to accessing vital financial support.

For those nearing the end of their life who want to remain at home, this Budget extends funding for End-of-Life participants who live beyond the initial funding period – delivering continuity of care in a critical stage of their care journey.

## Supporting the aged care workforce

The almost 322,000 personal care workers employed in aged care and older Australians will benefit from a national registration scheme, which will increase the safety and the quality of care received by older people.

Options for mandatory minimum qualifications and a defined professional

scope and standards will be developed as part of the registration scheme.

This will complement ongoing work in the broader care and support economy, including the Department of Finance's work on a national approach to worker screening.





## Case study

Susan is 94 years old. After a deterioration in her health, she and her family make the decision to move her to residential aged care.

Susan undergoes means testing and is eligible for government assistance with her aged care accommodation costs. She and her family tour Capital Aged Care Queensland and decide that it is a good fit to provide her with quality care.

Thanks to the capital subsidies changes, Capital Aged Care Queensland has recently invested to construct a new facility in the community, where waiting lists for residential aged care were long – particularly for supported residents.

The accommodation supplement uplift means Capital Aged Care Queensland can invest more towards enhanced facilities. In this case it means Susan gets a new room, overlooking the courtyard and close to a communal area where she can enjoy social activities each day.

With the increase to the accommodation supplements and the changes to eligibility, Capital Aged Care is incentivised to build more beds and take on a higher proportion of supported residents like Susan.

## Securing the NDIS for future generations

**The National Disability Insurance Scheme (NDIS) is one of Australia’s most important social programs. The NDIS needs to be protected for people with permanent and significant disability and for future generations who will rely on it.**

The NDIS plays a critical role in supporting people with permanent and significant disability, but it continues to grow at a far higher rate than any other comparable program.

The scale and distorted market structure of the NDIS are too often not providing high-quality care to participants themselves.

Costs are continuing to rise rapidly, driven by plan inflation and weaknesses in how the system currently operates. If left unchecked, this puts the long-term sustainability of the NDIS – and its ability to support future generations – at risk.

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The government’s plan to secure the future of the NDIS will be delivered through 4 pillars:

- Fighting fraud and stopping rorts
  - Slowing rapid costs increases
  - Clearer eligibility requirements
  - Delivering quality services and support to participants
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The government will introduce the *National Disability Insurance Scheme Amendment (Securing the NDIS for Future Generations) Bill* following the release of the 2026–27 Budget.

These changes build on work underway to implement critical recommendations of the Independent Review into the NDIS and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

Further reforms beyond this initial Bill will be needed to get the NDIS back to its original intent.

The government is committed to engaging with the disability community and states and territories on these longer-term reforms to the NDIS so it can support people with a disability and their families and continue to transform their lives.

An implementation timeline outlining the planned changes and their timing is available [here](#).

## Delivering Thriving Kids

Children aged 8 and under with developmental delay and/or autism with low to moderate support needs will benefit from Thriving Kids.

The program will progressively roll out from 1 October 2026 with full rollout of services by 1 January 2028.

The Australian Government will contribute \$2 billion over 5 years to Thriving Kids (with at least \$1.4 billion going to support states).

Parents and families will be able to access nationally consistent information on child development, advice and help finding services that meet the needs of their child. This includes additional

supports and community connection for parents of children with Autism.

A Medicare-subsided health assessment will be available for GPs to assess the health and development of a child at 3 years of age and refer them to appropriate supports, including Thriving Kids.

It will be easier for families and health professionals to track a child's development and share information through a new comprehensive National Digital Child Health Record.

More children will get support where they live, learn and play, and key workforces that support children will be upskilled to better support children's development.

