



Guaranteeing Medicare – Better targeting the Rural Bulk Billing Incentives

The Australian Government is investing \$65.8 million to implement a progressive incentive schedule that increases bulk billing payments for doctors working in remote areas and rural towns. This measure will help improve access to quality health services for rural and remote Australians by reducing out-of-pocket costs for patients and improving the viability of primary care services in their communities.

From 1 January 2022, the Rural Bulk Billing Incentive (RBBi) will progressively increase from the current rate of 150% of the incentive in metropolitan areas as classified under the Modified Monash Model (MM) to:

- 160% of MM 3–4, large (population 15,000 to 50,000 residents) and medium (population 5,000 to 15,000) rural towns
- 170% in MM 5, small rural towns (population up to 5,000)
- 180% in MM 6, remote areas, and
- 190% in MM 7, very remote areas (up to \$12.35* per consultation).

The geographic eligibility for claiming bulk billing incentives for after-hours services will be updated to use the Modified Monash Model.

*Based on metropolitan bulk billing incentive rate as at May 2021.

Why is this important?

Australians in rural and remote areas generally have reduced access to health services compared to people in metropolitan areas.

Scaling the RBBi will better recognise that doctors in rural and remote areas face higher operating costs, smaller patient populations, increased complexity in patient care, and carry a greater burden of responsibility for the healthcare needs of people living in these communities.

Bulk billing incentives encourage doctors to bulk bill vulnerable patients, including children under 16 years old and concession card holders, leaving them with no out-of-pocket costs.

Who will benefit?

Improving the value of RBBi in rural and remote medical practice will reduce out-of-pocket costs to patients and enhance the financial viability of practices in rural and remote areas.

How much will this cost?

The RBBI is an ongoing, demand-driven program and the introduction of the progressive incentive schedule will begin on 1 January 2022 at an estimated cost of \$65.8 million over the 4 years. This includes \$0.1 million in 2020–21 for Services Australia.