

Australian Government Health Budget Overview 2017-18

Tonight, Australian College of Nursing (ACN) representatives attended the Australian Government 2017-18 Budget briefing by the Hon Greg Hunt MP Minister for Health, Minister for Sport. The following provides an overview of the Health Budget as outlined in the Government's Health Budget 2017-18 Fact Sheets available [here](#).

Guaranteeing Medicare and Access medicines

Establishing the Medicare Guarantee Fund

- The Government will establish the Medicare Guarantee Fund from 1 July 2017 to ensure the ongoing funding of the Medicare Benefits Schedule (MBS) and the Pharmaceutical Benefits Scheme (PBS) into the future.
- The Fund will be credited with revenue raised from the Medicare levy (excluding amounts to meet the Government's commitment to fund the National Disability Insurance Scheme) as well as a portion of personal income tax receipts sufficient to cover the estimated costs of essential health care provided under the MBS and PBS.

Improving Access to Medicines

- The Government is reducing the costs of some medicines that will result in savings to the taxpayers of \$1.8 billion over five years and make medicines more affordable.
- \$1.2 billion will be provided for new and amended listings on the PBS, including more than \$510 million for a new medicine for patients with chronic heart failure.

Support for community pharmacies

- The Government will provide \$825 million over three years from 2017–18 to community pharmacies to support and improve Australians' access to medicines.
- The Government will provide \$225 million over three years to community pharmacists and pharmaceutical wholesalers as a result of prescription volumes being lower than forecast in the Sixth Community Pharmacy Agreement.

Child Dental Benefits Schedule – increased cap

- This measure increases the two calendar year benefits cap from \$700 to \$1,000 for all children eligible for the Child Dental Benefits Schedule (CDBS), retrospectively from 1 January 2017.

Guaranteeing Medicare – Medicare Benefits Schedule Review – continuation

- This measure enables the Department of Health to continue to support the Review Taskforce and other Review committees to complete the reviews currently under way, and to review the remaining 41 per cent of MBS items. Since its inception in June 2015, the Review has made considerable progress. Around 12 per cent of items (more than 600) have been reviewed. A further 45 per cent of items (just under 2,500) are currently under review. Together these items represent around 74 per cent of total Medicare outlays, or \$15.1 billion.

Guaranteeing Medicare – Medical Services Advisory Committee – continuation (\$44.5 million from 2017–18 to 2020–21.)

- This measure continues funding for the Medical Services Advisory Committee (MSAC) to provide independent expert advice to the Government for four more years.
- MSAC assesses new medical services against other interventions on the basis of safety, community outcomes and cost efficiency. MSAC's advice enables the Government to help ensure the MBS is more effective and sustainable in the longer term.

Improving Access to Medicines – Pharmaceutical Benefits Scheme – new and amended listings

- This measure makes new and amended medicines available on the Pharmaceutical Benefits Scheme (PBS), such as ivacaftor (Kalydeco®) which will benefit children aged two to five with cystic fibrosis who previously did not have access to this treatment. The Government will provide \$1.2 billion for these new and amended listings from 2016–17 to 2020–21.

Helping Families with Diabetes – Insulin Pump Program – reducing patient contributions

- This measure simplifies the subsidy and removes the co-payment for the Insulin Pump Program (IPP) to ensure children with type 1 diabetes in families with low incomes have more affordable access to insulin pumps. An extra 20 insulin pumps are expected to be subsidised

Helping Families with Diabetes – free glucose monitoring devices for young Australians with Type 1 diabetes

- From 1 April 2017, this measure will provide subsidised access to continuous glucose monitoring (CGM) technology for children and young adults under 21 years of age with insulin-dependent type 1 diabetes who face additional challenges in managing their blood glucose levels.
- This measure will cost \$54 million from 2016–17 to 2020–21.

Guaranteeing Medicare – Medicare Benefits Schedule – improved compliance

- This measure supports the integrity of Medicare through improvements to the recovery arrangements for Medicare debts owed to the Commonwealth and is expected to save the Government \$103.8 million from 2016-17 to 2020-21.

Stoma Appliance Scheme – new and amended listings

- This program ensures that eligible people with stomas are able to better manage their condition by providing 100 per cent subsidised access to stoma-related products. This measure will save \$9.5 million from 2017–18 to 2020–21.

Improving Access to Medicines – maintaining Remote Area Aboriginal Health Services pharmaceutical dispensing

- This measure ensures that eligible pharmacists are appropriately remunerated for supplying Pharmaceutical Benefits Scheme (PBS) medicines to patients of Remote Area Aboriginal Health Services (RAAHS). This measure will cost \$0.4 million from 2016–17 to 2020–21.

Quality Improvement in General Practice – implementation of the Practice Incentive Program

- This measure seeks to revise the scope of the previously agreed Practice Incentive Program (PIP) Quality Improvement (QI) Incentive and defer commencement by 12 months to 1 May 2018. The proposal will now combine five previous incentives into the QI Incentive instead of the announced seven incentives. This ensures the focus on achieving Indigenous outcomes is retained and removes unintended consequences for rural practices.
- This measure will cost \$2.5 million from 2016–17 to 2020–21.

Primary Health Networks – supporting after-hours care Investing \$145 million in after-hours funding

- Under the Primary Health Care Development Program this measure enables Primary Health Networks (PHNs) to continue their central role in ensuring that patients in their local communities can access after-hours primary health services and maintain continuity of services.
- PHN after-hours funding of \$145.5 million has already been provisioned by the Government. This measure will achieve savings of \$41.9 million from 2017–18 to 2020–21.

Improving Access to Medicines – Pharmaceutical Benefits Scheme – price amendments

- These price amendments ensure some crucial medicines, like medicines to treat auto-immune conditions, remain on the PBS at a price that is cost-effective for the Government and consumers.
- This measure will save \$270.2 million from 2016–17 to 2020–21.

Operational Costs for Cardiac and Breast Device Registries – extension

- This measure will support patients with implanted high-risk cardiac and breast devices by extending operational funding for the Cardiac Devices Registry and the Australian Breast Device Registry for one year.
- This measure will cost \$2.2 million in 2017–18.

Supporting our Hospitals

Support for Health Services in Tasmania

- The Australian Government is giving \$730.4 million to the Tasmanian Government as part of a 10-year plan to return the Mersey Community Hospital to the Tasmanian people from 1 July 2017. In addition, the Australian Government is providing the Tasmanian Government \$3.2 million for the continued operation of the Missiondale Recovery Centre and \$3 million for palliative care services in Tasmania.

Increasing funding for public hospitals

- The Government is committing an additional \$2.8 billion from 2016–17 to 2020–21..

National Health Funding Body – funding requirements

- The Government will increase funding by \$4.1 million over three years to the National Health Funding Body (NHFB) to support its existing role and new functions arising from the COAG agreement on public hospital funding.

Ageing and aged care

Strengthening Aged Care – Commonwealth Home Support Program Funding Arrangements – extension

- This measure extends funding arrangements for the Commonwealth Home Support Program (CHSP) for two years until 30 June 2020. This includes extending funding agreements with CHSP service providers and Regional Assessment Services from 1 July 2018 (1 July 2019 in Victoria), with new funding conditions to provide a greater focus on activities that support independence and wellness and provide more choice for consumers.

Strengthening Aged Care – My Aged Care – operations

- This measure provides additional funding of \$3.1 million for ICT support for the My Aged Care platform.

Strengthening Aged Care – developing an aged care workforce strategy

- This measure will establish an aged care industry-led taskforce to explore short, medium and longer term options to boost supply, address demand and improve productivity for the aged care workforce.
- The Government is planning to harness existing employment services to match local job seekers to local jobs and establish regional coordinators to help providers adjust to a rapidly expanding competitive disability and aged care market.

Investing in medical research

Investing in Medical Research – Medical Research Future Fund

- The Australian Government will invest \$65.9 million in disbursements from the Medical Research Future Fund (MRFF). These new research programs will stimulate work to deliver new medical breakthroughs, enhance patient care and access, improve health system outcomes, ensure Australia's security and drive innovation.

Proton Beam Facility in South Australia

- The Australian Government will provide \$68 million to the South Australian Government to purchase accelerator equipment and two treatment rooms to support the establishment of Australia's first Proton Beam Therapy (PBT) research and treatment facility at the South Australian Health and Medical Research Institute.

Investing in Medical Research – fighting childhood cancer Investing \$10.8 million for medical research and clinical trials

- The Australian Government is investing \$10.8 million to fight childhood cancer through research and clinical trials.

Ban on Cosmetic Testing on Animals – implementation

- This measure formalises a ban on cosmetic testing on animals through a package of legislative and non-legislative initiatives. The measure represents the first step in a phased implementation from 1 July 2017.

Prioritising mental health, preventive health and sport

The Government outlined the following Budget measures relating mental health, preventive health and sport funding:

Prioritising Mental Health – Psychosocial Support Services – funding.

- The Government outlined that this measure provides \$80 million for community mental health (CMH) services – otherwise known as psychosocial support – to assist people with severe mental illness resulting in psychosocial disability who are not eligible for the National Disability Insurance Scheme (NDIS). It is intended that measure will reduce the CMH service gap and provide continuity of support for existing clients of Commonwealth-funded psychosocial services. There is a requirement for states and territories to contribute funding to the program to account for emerging gaps in state and territory psychosocial services and their continuity of support obligations in relation to the NDIS rollout.

Prioritising Mental Health – improving telehealth for psychological services in regional, rural and remote Australia.

- This measure provides funding of \$9.1 million over four years to enable Australians who live in rural and regional Australia to access psychologists via telehealth. According to the Government, enhanced telehealth arrangements will enable Australians who live in rural and regional Australia to claim a Medicare rebate for video consultations with psychologists and other health professionals. The measure seeks to allow people in need of psychological services to connect more promptly with clinicians. Psychologists will be able to deliver by videoconference up to seven of 10 sessions under Medicare rebatable mental health plans, referred by GPs.

Prioritising Mental Health – suicide prevention support programs.

- This measure seeks to prevent suicide in specific locations – hotspots – where suicide incidents repeatedly occur. Funding for signage will encourage people to seek help, and Lifeline’s crisis services will be better supported. A National Partnership Agreement will also support states and territories to deliver small infrastructure projects, such as fencing or surveillance to deter people from attempting suicide. This measure will cost \$11.1 million from 2017–18 to 2019–20.

Prioritising Mental Health – research.

- This measure invests \$15 million over two years to support mental health research within Australia, by increasing research capacity for early intervention and prevention that will help improve the mental health and wellbeing of Australians. The measure specifically includes:
 - \$5 million to Orygen, the National Centre of Excellence in Youth Mental Health, to help complete an integrated healthcare and translational research facility in Melbourne.
 - \$5 million to the Sunshine Coast Mind and Neuroscience – Thompson Institute for research involving young people with major mood or psychiatric disorders and in suicide prevention.
 - \$5 million to the NSW-based Black Dog Institute, in collaboration with the Hunter Institute, to translate research findings into improved and innovative service delivery for people with anxiety and depression.

Guaranteeing Medicare – modernising the health and aged care payments systems.

- This measure continues the Australian Government’s initiative to replace outdated IT systems supporting health, aged care and related veterans’ payments with a new digital payments platform. This measure will cost \$67.3 million in 2017–18.

Healthy Heart Initiative – targeted activities.

- It is intended that this measure will increase support for people to improve activity levels and healthy lifestyles to help prevent chronic disease. The measure will provide \$10 million to the Heart Foundation to increase access to walking and other physical activity programs, and to establish the Prime Minister’s Walk for Life Challenge to support up to 300,000 Australians to become new regular walkers.
- Funding will also be provided to the Royal Australian College of General Practitioners for a new \$5 million Healthy Heart Initiative to develop education and training material for GPs to support Australians to achieve a healthy lifestyle through increased physical activity and better nutrition.

Supporting No Jab No Pay – improving awareness and uptake of immunisation.

- This measure supports a \$5.5 million, three-year awareness campaign to encourage parents and carers to have children under five years of age vaccinated. The aim of this campaign is to ensure all Australian children are fully vaccinated before starting school. This measure will cost \$4 million from 2017–18 to 2018–19, with the additional \$1.5 million already allocated in 2016–17.

Supporting No Jab No Pay – National Immunisation Program – expansion.

- This measure provides ongoing catch-up vaccines for all Australian children aged 10 to 19 years of age, and newly arrived refugees and other humanitarian entrants, through the National Immunisation Program (NIP). The time-limited No Jab, No Pay catch-up immunisation program offered free vaccines to 10 to 19-year-olds receiving family assistance payments. This measure will make it accessible to all people in the age group on an ongoing basis. This measure will cost \$14.1 million from 2017–18 to 2020–21.

Improving Access to Medicines – antivenoms, Q fever and pandemic influenza vaccines supply.

- According to the Government, this measure will ensure the ongoing production and supply of uniquely Australian antivenoms, and Q fever and pandemic influenza vaccines for the next six years. The cost of this measure is not for publication due to commercial negotiations.

Improving Access to Medicines – National Medical Stockpile – replenishment and operations.

- This measure is aimed at boosting Australia’s capacity to respond to a national health emergency by funding the National Medical Stockpile (NMS). This measure will cost \$85.4 million from 2017–18 to 2019–20.

National Partnership Agreement on Rheumatic Fever Strategy – continuation and expansion.

- This measure is aimed at strengthening and expanding the Australian Government’s Rheumatic Fever Strategy (RFS) for the prevention and management of acute rheumatic fever (ARF) and rheumatic heart disease (RHD). This measure will cost \$18.8 million from 2017–18 to 2020–21. \$11.2 million has already been provisioned by the Government.

BreastScreen Australia Program – additional support.

- According to the Government, this measure continues existing arrangements for women aged 70 to 74 years to participate in the BreastScreen Australia program, which provides free mammograms to screen for the early detection of breast cancer. This measure will cost \$64.3 million from 2017–18 to 2020–21. The measure complements the BreastScreen Australia services already provided under the National Healthcare Agreement targeting women aged 50 to 69.

Cancer Screening – Victorian Cytology Service – continuation.

- The Government plans to spend \$41.6 million to extend an agreement with the Victorian Government to continue services delivered by the Victorian Cytology Service (VCS), which supports the National Cervical Screening Program (NCSP). This measure will cost \$41.6 million from 2017–18 to 2020–21.

National Cancer Screening Register – transition arrangements.

- This measure provides for the continued operation of the current National Cervical Screening Program (NCSP) and National Bowel Cancer Screening Program (NBCSP), as a result of the delayed implementation of the National Cancer Screening Register and the renewal of the NCSP, which begins operating from 1 December 2017. This measure will cost \$40.8 million from 2016–17 to 2020–21, with additional funding of \$3 million for the one-off assistance package to be funded from existing health resources.

Prostate Cancer Nurses Program – continuation and expansion.

- This measure expands the current Prostate Cancer Nurse (PCN) program to enable the Prostate Cancer Foundation of Australia (PCFA) to train and engage up to 14 additional nurses to support men with prostate cancer. This doubles the total number of Commonwealth-funded PCNs from 14 to 28. This measure will cost \$5.9 million from 2017–18 to 2019–20.

Greater Choice for At Home Palliative Care.

- This measure boosts funding for palliative care coordination through Primary Health Networks (PHNs). It builds on existing infrastructure and current Australian Government investment in primary health care, and better coordinates and integrates primary, secondary, tertiary and community health services. This measure will cost \$8.3 million from 2017–18 to 2019–20.

My Health Record – continuation and expansion.

- This measure supports the continued and improved operation of the My Health Record system, which allows individuals to access and control their own medical history and treatments – such as vaccinations. This follows unanimous support at COAG for a national rollout of My Health Record with every Australian able to have a record, unless they prefer not to (opt-out). The Government will spend \$374.2 million on My Health Record – continuation and expansion from 2017–18 to 2018–19, with a net fiscal impact of \$68.7 million.

Supporting Living Organ Donors – continuation and expansion.

- According to the Government, this proposal will provide funding for a four-year continuation of the Supporting Leave for Living Organ Donors Program to ensure that cost is not a barrier for living organ donors to donate a kidney or part of their liver. This measure will cost \$4.1 million from 2017–18 to 2020-21.

Gold Coast 2018 Commonwealth Games – support for athletes.

- This measure will provide funding through grants to a range of sports, involving both aspiring and elite athletes, and the services that support them in the lead-up to the 2018 Gold Coast Commonwealth Games. This measure will cost \$15.5 million in 2017–18.

Per- and Poly-Fluorinated Alkyl Substances – National Health Research Program.

- As part of the Australian Government’s response to potential per- and poly-fluoroalkyl substances (PFAS) contamination on or near Commonwealth sites, this measure establishes a national research program into the human health effects of PFAS. The aim is to increase the evidence and understanding of potential human health effects from prolonged exposure to PFAS. This measure will cost \$12.5 million from 2017–18 to 2020–21. Funding for this program is within existing resources in the Department of Defence and Department of Health.