

2022–23 Federal Budget Summary: Medicare

Jessica Bravo, Senior Project Officer
jessicab@vaccho.org.au

Contents

MEDICARE BILLING SCHEDULE	2
MY MEDICARE	3
WORKFORCE INCENTIVES	4
MEDICARE URGENT CARE CLINICS	6
MULTIDISCIPLINARY CARE	7
AFTER-HOURS PROGRAMS	8
INTEGRITY AND COMPLIANCE	9
DIGITAL HEALTH	10
REFERENCES	11
VACCHO CONTACT	11

“The medical services and benefits sub-function, which primarily consists of Medicare and Private Health Insurance Rebate expenses, comprises 36.9% of total estimated health expenses for 2023–24.”

Medicare Billing Schedule

In this budget, the Government is investing \$5.7 billion over five years from 2022–23 to strengthen Medicare and make it cheaper and easier to see a doctor.

\$3.5 billion to triple the bulk billing incentives for:

- Children under 16 years of age
- Pensioners
- Commonwealth concession card holders

Table 6.8: Summary of expenses - health

Sub-function	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Medical services and benefits	36,982	39,300	41,313	43,396	45,471
Pharmaceutical benefits and services	19,592	19,106	19,035	19,214	19,232
Assistance to the states for public hospitals	25,658	28,392	30,456	32,215	34,296
Hospital services(a)	973	999	1,137	1,195	1,220
Health services	19,163	13,220	11,776	11,247	11,230
General administration	4,212	4,286	3,815	3,605	3,558
Aboriginal and Torres Strait Islander Health	1,130	1,234	1,328	1,301	1,285
Total health	107,710	106,538	108,860	112,174	116,293

a) The hospital services sub-function predominantly reflects Commonwealth funding to the states and territories for veterans' hospital services.

Commonwealth of Australia. BUDGET STRATEGY AND OUTLOOK BUDGET PAPER NO. 1. 9 May 2023, pg. 210.

These increased incentives apply to:

- All face-to-face general practice consultations more than six minutes in length.
- All telehealth general practice services which are 6–20 minutes in length (Level B consultations).
- Longer telehealth general practice consultations where a patient is registered with their GP through My Medicare.

As well as a \$5.9 billion investment over five years from 2022–23 in the Medicare Benefits program through measures aimed at strengthening Medicare.

Including \$1.5 billion over four years from 2023–24 to increase indexation in the Medicare Benefits Schedule to enable access to longer telehealth consultations through the MBS for patients and general practices under My Medicare from 1 November 2023.

My Medicare

There will be a **\$98.9 million to introduce My Medicare**, to connect hospital users with general practices to promote multidisciplinary care in the community and reduce hospitalisations.

\$19.7 million will also be invested over four years from 2023–24 (and \$3.2 million per year ongoing) to implement My Medicare to formalise the relationship between patients and their primary care providers, to improve patient care and health outcomes.

What is My Medicare?

My Medicare is a new funding model that supplements the existing fee-for-service model. GPs will be able to register with My Medicare, and patients can register with their desired GP at their practice. The service is voluntary and open to everyone.

The intention behind My Medicare is that patients will develop a stronger relationship with their healthcare team and get better access to more consistent care. This model allows for a range of blended funding models to better support patients with complex chronic diseases, who often fall through the cracks of the current system.

My Medicare blends fee-for-services with patient centred funding so GPs can spend more time caring for patients, and health teams can get the support they need to provide long-term care. **New MBS items will be developed for longer consultations of 60 minutes or more for patients with chronic conditions and complex needs** (\$99.1 million investment). Over time, the Government will add other health professionals, such as Nurse Practitioners, to the service.

A Modern and Clinically Appropriate Medicare Benefits Schedule

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	3.6	-1.2	-2.1	-2.3
Department of Health and Aged Care	-	5.6	-69.8	-122.0	-134.0
Department of Veterans' Affairs	-	0.4	-0.6	-1.1	-1.3
Total - Payments	-	9.6	-71.5	-125.3	-137.6

Commonwealth of Australia. BUDGET MEASURES BUDGET PAPER NO. 2. 9 May 2023 pg. 123

\$137.2 million over 5 years from 2022–23 to maintaining a clinically appropriate Medicare Benefits Schedule (MBS).

Workforce Incentives

The Federal Government has announced \$445.1 million over five years from 2022–23, to increase the Workforce Incentive Payment and engage a broad range of services, for which Primary Health Networks (PHNs) will be commissioned to provide allied health professionals to local clinics that need them. The maximum incentive payment will increase to \$130 000 per practice, per annum and make more general practices eligible for the maximum payment.

This funding will **support practices to expand multidisciplinary teams** and employ more nurses, allied health, and other health professionals in practices.

These incentives will provide:

- A review of scope of practice across all healthcare services to encourage **autonomy in team base health care**.
- From 2024 **all vaccines** will be free at local pharmacies.
- Those struggling with **opioid dependency** will get subsidised treatment they need at local pharmacies, with a \$500 million investment into pharmacy industry in the next five years.
- \$50.2 million over four years from 2023–24 to establish the **Primary Care and Midwifery Scholarships** program to support registered nurses and midwives to undertake post-graduate study and improve their skills.
- \$46.8 million over four years from 2023–24 to recognise the important role nurse practitioners and participating midwives play in the delivery of health care services, through:
 - **increasing Medicare Benefits Schedule (MBS) fees for standard nurse practitioner attendance items**
 - expanding the eligibility for MBS case conferencing items to enable nurse practitioners to participate in allied health **multidisciplinary case conferences**
 - removing the legislated requirement for collaborative arrangements between participating midwives, nurse practitioners and medical practitioners to **prescribe Pharmaceutical Benefits Scheme medications**.

Additional incentives to increase specialist training in the workforce include:

- \$34.6 million over two years from 2023–24 to enable non-vocationally recognised doctors to receive MBS rebates under the Other Medical Practitioner Program.
- \$31.6 million over two years from 2023–24 to trial enhanced training arrangements to support international medical students working in rural and remote locations.
- \$17.5 million over two years from 2022–23 to extend the General Practice Incentive Fund until 30 June 2024 and to expand its eligibility to all PHNs to improve access to primary care in thin markets.
- \$10.7 million over four years from 2023–24 to boost the primary care nursing workforce by creating 6,000 primary care clinical placements and providing incentives to clinics employing returning nurses. The measure will also fund a scope of practice review to examine current models of primary care.
- \$4.5 million over five years from 2022–23 (\$5.4 million over six years) to increase rural generalist trainees by expanding the single employer model trials by a further ten trial sites from 1 July 2023.

Medicare Urgent Care Clinics

A further \$358.5 million is being invested in Medicare Urgent Care Clinics over five years from 2022-23, including to deliver eight more clinics by the end of 2023. Urgent Care Clinics will ensure patients do not have out-of-pocket costs and remain open for extended hours.

- These clinics will reduce pressure on hospital emergency departments and improve access for urgent, but not life-threatening, care.
- All Medicare Urgent Care Clinics will be open during extended business hours with no appointments are required to ensure that patients do not have out-of-pocket costs.

Medicare Urgent Care Clinics – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Ages Care	14.5	-5.1	-16.9	2.5	-
Department of the Treasury	9.2	19.4	25.8	26.3	-
Services Australia	0.7	4.0	1.2	1.1	-
Department of Veterans' Affairs	-	0.6	0.4	0.5	0.5
Total - Payments	24.5	18.9	10.5	30.4	0.5

Commonwealth of Australia. BUDGET MEASURES BUDGET PAPER NO. 2. 9 May 2023 pg. 138

Medicare Urgent Care Clinic

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	5.2	-	-	-	2.6	0.4	1.0	9.2
2023-24	-	10.1	-	-	-	4.3	2.2	2.9	19.4
2024-25	-	16.3	-	-	-	4.4	2.2	2.9	25.8
2025-26	-	16.5	-	-	-	4.4	2.3	3.0	26.3
2026-27	-	-	-	-	-	-	-	-	-
Total	-	48.1	-	-	-	15.7	7.1	9.8	80.7

The Australian Government is providing funding to ease the pressure on hospitals and give Australian families more options to see a healthcare professional when they have an urgent but not life-threatening need for care.

Commonwealth of Australia. FEDERAL FINANCIAL RELATIONS BUDGET PAPER NO. 3. 9 May 2023 pg. 23

Multidisciplinary Care

An investment of \$27.0 million over four years, from 2023–24, will be made to improve the provision of, and access to, primary care and support services in thin markets by trialling integrated services and joint commissioning across primary health, First Nations health services, disability, aged care, and veterans' care sectors in up to ten locations.

Additionally, \$79.4 million over four years from 2023–24 will be invested to support PHNs to commission allied health services to improve access to multidisciplinary care for people with chronic conditions in under serviced communities.



Health Checks

A \$16.7 million investment over four years from 2023–24 to:

- develop a national campaign to promote increased **uptake of First Nations Australians' health assessments** and improve administration and coordination of health assessments and linkages with allied health services
- update eligibility for outcome payments under the **Practice Incentives Program – Indigenous Health Incentive to include** all MBS items for the preparation and review of a **Mental Health Treatment Plan**
- \$6.6 million in 2023–24 to continue activities through the national blood-borne viruses and sexually transmissible infections strategies and **extending sexual health services provided by Aboriginal Community Controlled Health Organisations.**

“An extension of the Closing the Gap Outcomes and Evidence Fund by two years to 31 December 2026, which provides targeted grant funding to Aboriginal Community Controlled Organisations to deliver improved and co-designed methods of service delivery for First Nations people.”

After-hours Programs

The Government will invest \$143.9 million for primary care after-hours programs, which includes:

- \$77.9 million to extend PHN after hours program to support **general practices** to fill access gaps.
- \$25.4 million to establish a **Homelessness Support Program** to support homeless people's access to primary care services.
- \$15.3 million to establish a **PHN Multicultural Access program** to support multicultural communities to access primary care services.
- \$14.8 million to support PHNs implement and support these afterhours programs.
- \$7 million to support **Healthdirect's after-hours GP helpline**.
- \$3.5 million to the **Department of Health and Aged Care** to implement and monitor the measure.

\$29.1 million over two years from 2023–24 to support **the Royal Flying Doctor Service** to deliver essential services to people living in remote communities through additional primary care visits and increased aeromedical evacuations.

“\$47.8 million over five years from 2022–23 (and \$12.3 million per year ongoing) to improve the treatment of chronic wounds by establishing a subsidised Chronic Wound Consumables Scheme for people with diabetes aged 65 years and First Nations people aged 50 years and over. The measure will also provide health care professionals with education and training on chronic wound management.”

Integrity and Compliance

An investment of \$69.7 million over four years from 2023–24 (and \$4.2 million per year ongoing) to respond to recommendations made in the Strengthening Medicare Taskforce Report, and the Independent Review into Medicare Integrity and Compliance to digitise additional health services, and better connect health data to improve access to services for customers and health professionals.

This includes:

- \$10.9 million in 2023–24 to support the **MBS Continuous Review program** to ensure the MBS remains clinically appropriate.
- **\$301.9 million over three years from 2024–25 by streamlining and modernising Chronic Disease Management planning items and improving associated regulations from 1 November 2024, consistent with recommendations from the MBS Review Taskforce.**

Strengthening Medicare – improving Medicare integrity					
Payments (\$m)					
	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	11.8	2.3	2.3	2.4
Services Australia	-	6.6	2.5	1.3	0.7
Total - Payments	-	18.4	4.8	3.6	3.0

Commonwealth of Australia. BUDGET MEASURES BUDGET PAPER NO. 2. 9 May 2023 pg. 151

Additionally, \$60.2 million will be invested in 2023–24 to extend Practice Incentive Program–Quality Improvement payments for an additional year to 30 June 2024, and to undertake an intensive review of all general practice incentive programs.

Digital Health

The Federal Government will be investing \$950 million into digital health measures from 2023–24, which includes:

- Funding to make digital health agency a longer-term entity.
- Funding to update **My Health Record (MHR) to be more compatible with the billing systems** that practitioners are already using, provide better connections between different parts of the health system, and make it easier to access and securely share their data.

In total, \$429 million over two years, from 2023–24, will be invested in modernising My Health Record, supporting easier, more secure, data sharing across all health care settings.

This will support the development of a new National Repository platform which supports easier, more secure data sharing across all healthcare settings, investment to improve the sharing of pathology and diagnostic imaging information, and targeted investment to increase allied health professionals' connection to MHR.



Additional funding of \$325.7 million over four years from 2023–24 (and approximately \$79.9 million per year ongoing), will be invested to establish the Australian Digital Health Agency (ADHA) as an ongoing entity to deliver on the Government's commitment to strengthen Medicare. This measure will also fund a review of the ADHA's enabling legislation to ensure the agency remains fit for purpose.

References

Commonwealth of Australia. BUDGET STRATEGY AND OUTLOOK BUDGET PAPER NO. 1. 9 May 2023. Retrieved from: <https://budget.gov.au/content/bp1/index.htm>

Commonwealth of Australia. BUDGET MEASURES BUDGET PAPER NO. 2. 9 May 2023. Retrieved from: <https://budget.gov.au/content/bp2/index.htm>

Commonwealth of Australia. FEDERAL FINANCIAL RELATIONS BUDGET PAPER NO. 3. 9 May 2023. Retrieved from: <https://budget.gov.au/content/bp3/index.htm>

ABC News Australia. IN FULL: Health Minister Mark Butler addresses Medicare reform and vaping crackdown | ABC News. 2 May 2023. Retrieved from: <https://www.youtube.com/watch?v=bBMEYunNaJU>

Imagery:

<https://www.unsw.adfa.edu.au/sites/default/files/styles/huge/public/images/medicare.jpg?itok=dku0ZEui>

<https://etimg.etb2bimg.com/photo/85061939.cms>

VACCHO Contact

Our Senior Project Officer, Jessica Bravo, will be reaching out to all ACCOs regarding the recent Medicare changes following the announcement of the 2022-23 Federal Budget on 9 May 2023.

If you have any questions regarding the recent changes to the Medicare Benefit Scheme or other claiming concerns, please do not hesitate to reach out to VACCHO for support.

Email: jessicab@vaccho.org.au

Phone: 03 9411 9411

Mobile: 0452 526 844