



Australian Health Care Reform Alliance

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FEDERAL BUDGET 2016/17 – SUMMARY OF KEY MEASURES

The following is a summary of the key measures in the health portfolio from the 2016/17 Federal Budget. All figures quoted are 4 year projections, i.e. for the period 2016/17 to 2019/20.

MEDICARE

Continuation of the MBS rebate freeze – savings of \$925 million

Removing obsolete services (MBS Review) – savings of \$5.1 million

Additional item numbers – costs of \$40 million

PBS

New listings – costs of \$57.5 million

Price adjustments for existing medicines – costs of \$6.2 million

Minor additional measures – cost of \$1 million

HOSPITALS

An additional \$3.9 billion over four years

A commitment to fund 45% of the efficient growth of services

An agreement with the States to move to activity-based funding

PRIMARY CARE

Health care homes pilot – costs of \$22.8 million

Mental health programs – costs of \$42 million

DENTAL

A new Child and Adult Public Dental Scheme - \$1.7 billion (already announced and funded via the closure of existing program – the Child Dental Benefits Schedule)

PUBLIC HEALTH

A national cancer screening register – costs of \$30 million

Foetal Alcohol Spectrum Disorder prevention – costs of \$10.5 million

Antimicrobial resistance program – costs of \$9.4 million

Food health star rating program – costs of \$5.3 million

Minor other measures

THERAPEUTIC GOODS/REGULATORY

TGA reforms, including streamlining approvals processes – costs of \$20.4 million

Additional funding for the cardiac and breast device registries – costs of \$2.2 million

PRIVATE HEALTH INSURANCE

Pause indexation of the Medicare Levy surcharge and rebate thresholds – savings of \$371 million

A new private health committee to oversight private health services funding issues

A reconstituted Prostheses List Advisory Committee with an independent chair and additional expertise

CROSS-PORTFOLIO

Flexible funds program cuts – savings of \$182 million

OTHER (NON-HEALTH) ITEMS

An increase in tobacco excise – savings of \$4.7 billion