

2017-18 Mid-Year Economic and Fiscal Outlook

19 December 2017

Yesterday, the Treasurer, the Hon. Scott Morrison MP, delivered the 2017-18 Mid-Year Economic and Fiscal Outlook (MYEFO), which is the most recent update to the Commonwealth Government's finances since the May budget.

This bulletin outlines selected policy and budget implications that relate to health, aged care and social service delivery.

The full MYEFO document is available [here](#).

Health, aged-care and social services budget expenditure measures since 2017-18 Commonwealth budget

Item	Over four years (\$m)
Fighting Cancer — National Bowel Cancer Screening Program — continuation of the participant follow-up function	35.1
Fighting Cancer — Radiation Oncology Health Program Grants Scheme — additional funding for linear accelerators	4.5
Guaranteeing Medicare — Health and Aged Care Payment Systems — maintenance	14.9
Guaranteeing Medicare — Medicare Benefits Schedule — new and amended listings	10.6
Guaranteeing Medicare — Medicare Benefits Schedule Review — response to Taskforce recommendations	-409
Making Private Health Insurance Simpler and More Affordable	-2.6
Strengthening Aged Care — improvements to quality, services and access	0
National Disability Insurance Scheme Quality and Safeguards Commission — national worker screening database	14.9

New health, aged care and social services decisions – details

Fighting Cancer — National Bowel Cancer Screening Program — continuation of the participant follow-up function

The Government will provide \$35.1 million over four years from 2018-19 (including \$9.0 million in 2021-22) to the States and Territories to continue the Participant Follow-up Function of the National



Bowel Cancer Screening Program. This program provides follow-up services for participants who return a positive test result but have not continued on to appropriate medical care.

Fighting Cancer — Radiation Oncology Health Program Grants Scheme — additional funding for linear accelerators

The Government will provide \$4.5 million over four years from 2017-18 to increase capital funding under the Radiation Oncology Health Program Grants Scheme to support the use of linear accelerators for the treatment of cancer patients.

Guaranteeing Medicare — Health and Aged Care Payment Systems — maintenance

The Government will provide \$14.9 million over four years from 2017-18 to support the implementation of a new IT-based, nationally consistent worker screening database for the National Disability Insurance Scheme (NDIS).

Up to 162,000 full-time equivalent disability workers will benefit from the portability of worker screening checks across jurisdictions and approximately 19,120 registered providers of NDIS services will be able to verify whether prospective workers have attained relevant clearances.

Guaranteeing Medicare — Medicare Benefits Schedule — new and amended listings

The Government will provide \$10.6 million over four years from 2017-18 for new and amended Medicare Benefits Schedule (MBS) and Veterans' Benefits items, based on recommendations from the independent Medical Services Advisory Committee and the independent, clinician-led MBS Review Taskforce.

Guaranteeing Medicare — Medicare Benefits Schedule Review — response to Taskforce recommendations

The Government has responded to a number of recommendations from the independent, clinician-led Medicare Benefits Schedule (MBS) Review Taskforce to align certain MBS items with contemporary clinical evidence and practice and improve health outcomes for patients by:

- addressing variations in billing of medical consultations;
- reducing unnecessary bone densitometry testing;
- introducing consistent billing for tonsillectomy and adenoidectomy;
- ensuring appropriate use of gastroenterology MBS services;
- reducing unnecessary spinal x-rays;
- increasing the rebate based on procedure not practitioner;
- supporting better quality and greater access to obstetric services;
- better access to aftercare arrangements for patients; and
- ensuring appropriate use of urgent after-hours MBS services.



Net savings of \$409.0 million over five years from 2016-17 have already been reinvested by the Government in Medicare.

Making Private Health Insurance Simpler and More Affordable

The Government is reforming private health insurance to reduce pressure on premium growth and make private health insurance simpler for Australians. The reforms include:

- lowering the price of implanted medical devices;
- allowing insurers to discount hospital insurance premiums for 18 to 29 year olds by up to 10 per cent;
- removing waiting periods for mental health services and benefit limitations for existing policy-holders on a once-off basis;
- including benefits for travel and accommodation within hospital cover to support Australians in regional and rural areas;
- introducing Gold, Silver, Bronze and Basic product categories and standard definitions for clinical conditions and procedures to make policies easier to understand and compare;
- strengthening the powers of the Private Health Insurance Ombudsman and improving information provision;
- limiting the Government rebate for natural therapies to exclude therapies such as Rolfing and Bowen therapy; and
- implementing administrative reforms to second tier default benefit arrangements.

Strengthening Aged Care — improvements to quality, services and access

The Government will improve the quality, safety and availability of key aged care services, including:

- rebalancing the mix of home care packages in 2017-18 and 2018-19 to reduce waiting times for older Australians with higher care needs and who wish to remain at home;
- providing \$2.8 million in 2017-18 to develop a detailed business case to improve the aged care gateway, My Aged Care; and
- replacing accreditation visits with unannounced audits for Australia's residential aged care facilities, to help ensure that safety and quality care standards are maintained at all aged care homes.

The reforms in this measure respond to key recommendations of the Legislated Review of Aged Care 2017 and the Review of National Aged Care Quality Regulatory Processes. The cost of this measure will be met from within the existing resources of the Department of Health. The Government will respond to other recommendations of these reviews in the 2018-19 Budget.

National Disability Insurance Scheme Quality and Safeguards Commission — national worker screening database



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Further information

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