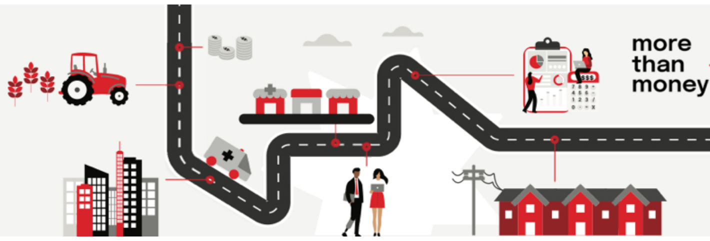
2024-2025 Federal Budget

What does this mean for Health?



Group Economics overview of the Budget

The significant budget announcements were in line with media reporting and pre-positioning over recent days. In many ways the Budget is much more interventionist in its strategy – aiming to boost growth in critical areas and directly easing cost of living pressures.

In terms of new policy announcements, the key headlines include the Future Made in Australia program (including solar panel manufacturing in the Hunter Valley and Quantum computing investments) and the extension of the small business instant asset write-off applicable to around 4 million businesses. There is also a health package with around $3.4bn for new PBS medicines and a freeze in the price of PBS medicines for a year for all individuals and 5 years for pensioners.

The education sector sees some significant policy announcements with cuts to HECS debts (around $3bn on 2023 indexation). A student cap has been introduced but the exact amount will depend on a formula including how much accommodation each university provides for their students.

In addition to the stage 3 tax cuts, cost of living relief comes via the Energy bill relief packages ($3.4bn) and the rental assistance package ($2bn). Beyond that there are large spending programs on funding wage increases in aged-care and childcare sectors.

With added spending in these areas and the increased drag from lower commodity prices and a weaker labour market alongside the stage 3 tax cuts the Budget surplus of around $9.3bn in 2023-24 quickly returns to deficits of around $28.3bn in 2024-25 and nearer $43bn in 2025-26. The potential for more election-related spending remains a risk.

Overall, the budget is expected to see a small structural deterioration over the next few years but with some claw back into 2026-27 and beyond. The Government's own parameter estimates suggest that just about all the deterioration in the budget position is from new expenditure. Meaningful attempts to address structural deficits have been pushed out though Australia's debt position remains low by international standards.

Economic outlook & implications

While the decisions taken in this year's budget are on balance a loosening in policy, they only marginally add to the RBA's difficulty in returning inflation to target and our initial assessment is they do not have a material impact on our expectations for the growth outlook or the path of inflation and monetary policy.

In terms of the economic outlook, the expected pattern of forecasts is broadly similar to ours with Treasury expecting GDP growth around 2% in 2024/25 and 2.3% in 2025- 26. We are at 1.9% and 2.3% in 2025-26. We are however more concerned about the very short run outlook (Treasury 1¾%, NAB 1.5%). Our labour market outlook is similar to the Treasury with unemployment peaking around 4½% by mid-2024, and likewise we see wage growth peaking around current growth rates (4¼%) and edging down somewhat in the out years.

Notably, the Budget forecasts a more rapid improvement in inflation in the near term than we or the RBA have been expecting, seeing headline inflation of 2.75% by mid-2025 (NAB 3.0%, RBA 3.2%). This largely reflects the impact of energy and rent subsidies on measured inflation – an effect which the RBA is certain to look through when setting monetary policy. Nonetheless, at this stage we don't see the fiscal deterioration as being sufficient to change our rate view, still seeing rates on hold until late this year.

Setting the Scene: Health 2024

The pandemic inspired many Australians to focus more closely on their health and encouragingly this has continued. NAB Health research show 1 in 2 Australians believe they have made their health a greater priority over the past year, with this belief particularly strong among younger people. A new breed of healthcare user has emerged, as people seek a more pro-active approach to managing their health and wellness. Australians strongly believe they are ultimately responsible for managing their own health, and 4 in 10 report having a strong preventative health mindset.

While this is encouraging, the funding models for the health system remains heavily focussed on treating illness. And, with around 4 times as many people on lower incomes scoring their satisfaction with their own health "very low", more needs to be done to make access to care equitable.

Australia's universal health-care system, with primary care at its centre, has long been regarded as among the best in the world. But Medicare (now 40 years old), is under growing pressure given the aging population and rise in chronic diseases and life expectancy. Medicare has not kept pace with the increasing costs of seeing a GP and this has been particularly evident with the decline in the numbers of GP's that bulk bill and increases in gap payments. The 2023-24 budget included $6.1 billion to strengthen Medicare, prompting concerns that this year's federal budget could be more subdued.

NAB research suggests around 4 in 10 Australians require ongoing treatment or medication for a medical condition, rising to over 7 in 10 among the over 65s. Around 9 in 10 health consumers that required ongoing treatment or medication told us their condition was chronic, with mental & behavioural conditions the most common, impacting 1 in 4 people. Incidence of chronic conditions is even higher among people on lower incomes. Other common complaints include back problems, arthritis, and diabetes.

Over 1 in 3 Australians told us that at some point over the past 12 months they felt they needed professional help for their emotions, stress, or mental health. 1 in 2 received help and around half of these people waited less than a month. But, 1 in 3 who did not receive help identified cost as the key reason.

Against this background, the private health system is an essential and growing component of Australia's healthcare system, offering patients access to a wider range of services and helping to reduce demand on the public sector.

Primary healthcare is the front line of our healthcare system with general practice at its heart. Just over 7 in 10 (73%) Australians told us they visited a GP in the past 12 months, although this was down from 78% a year ago. Pharmacy visits have dipped even more, with 6 in 10 (61%) Australians on average visiting, down from 7 in 10 (70%) the previous year.

Many general practitioners continue to report struggling to meet demand with workforce shortages an ongoing issue. The 2023-24 federal budget did however contain significant investment in general practice including tripling of the bulk-billing incentives, longer consultation items and an increase to the workforce incentive program.

Almost 1 in 10 Australians identify as current NDIS participants. New rules to stop NDIS members from overspending on their plans are being implemented, with large numbers of participants experiencing plan reassessments over the past year.

Australians are largely satisfied with the healthcare system overall, particularly those with an ongoing medical condition. But there are important differences by gender, age, and location. In particular, satisfaction is substantially lower among those in rural areas. And while patient satisfaction remains very high for most practitioners, it has moderated over the past year for all practitioners.

Access to care also remains generally good but varies significantly by practitioner type and Australian's believe it too has worsened across a number of modalities over the past year, particularly for psychologists & psychiatrists and public hospitals where long wait lists continue.

Health consumers continue to face growing financial pressures due to the rising cost of living. Affordability has deteriorated, with higher prices for health services reported by health consumers for all providers over the past year. Around 6 in 10 Australians believe it has become more expensive to see a dentist, chiropractor, osteopath & physiotherapist, pharmacy, psychologist & psychiatrist, 1 in 2 a GP and 4 in 10 an optometrist.

Despite ongoing financial stresses, Australians are prioritising their health with fewer cutting or cancelling their health spending due to cost of living pressures compared to last year. For example, fewer than 3 in 10 health consumers tell us they switched to lower cost prescription items and medications - down from almost 4 in 10 a year ago. Fewer (around 1 in 5) also cancelled or cut back on regular dental appointments, treatments & procedures, or on regular medical appointments. Many Australians however continue to fall well short of dental health recommendations, with almost 1 in 2 having not visited a dentist over the past year, with cost the key reason.

Despite concerns last year that 60 day dispensing could heavily impact community pharmacy, the sector remains very strong. After six months of negotiations, in March this year, the framework for the 8th Community Pharmacy Agreement (8CPA) was agreed by the Commonwealth Government and the Pharmacy Guild of Australia, with the intention to commence on 1 July 2024. The Community Pharmacy Agreement sets out the terms between the government and pharmacists to reimburse them for dispensing subsidised medicines on the PBS and to run community pharmacy medication management programs and services. One of the main points of the 8CPA is that community pharmacists will receive an extra $3 billion through the agreement, or about $600 million more each year. The Government has said some of this new funding will go into cheaper medicines.

There are some key areas where health consumers believe pharmacies should be allowed to expand their scope of services. 1 in 2 believe pharmacists should be able to renew prescriptions for ongoing treatment, and around 4 in 10 to be authorised to provide emergency dispensing of medicines, prescribe and administer appropriate travel health vaccines and medicines, diagnose and prescribe for minor ailments and illnesses and manage common conditions such as back pain, eczema etc.

The number of Australians using telehealth has also fallen, with face to face still strongly favoured. But for those that use telehealth, they continue to rate it very highly, particularly in regard to wait times for appointments and cost.

Profitability across the aged care sector remains challenging, although it has seen an uptick in the last 12 months. Cost pressures on residential and community aged care continue to be a key concern, particularly labour costs. In addition to it becoming more expensive to retain staff, there are significant shortages, exacerbated by expanded staffing responsibilities under ongoing government reforms. There has been a notable increase in the use of agency staff adding further to costs.

It was against these trends that the 2024-25 Federal Budget was framed in regard to health.

What did business want this year?

The Australian Medical Association noted that it was working with government on the implementation of the reforms announced in last year's Budget including: tripling of the bulk-billing incentives; longer consultation items; voluntary patient enrolment (MyMedicare); additional indexation to the Medicare Benefits Schedule (MBS); additional funding to support general practice care for frequent hospital users; a wound care scheme for general practice; a new aged care incentive payment; and an increase to the workforce incentive program and the introduction of indexation.

The AMA reiterated their position that these announcements were an initial investment, and that significant further funding would be needed to ensure the success of these reforms. As these reforms are still being developed and implemented, the AMA has not yet undertaken detailed costings on what further funding is needed.

The AMA highlighted that access to general practice remained a key issue and that workforce shortages (and the increasing cost of delivering high-quality care), have resulted in many general practices struggling to remain viable. At the same time, rising cost of living has rendered healthcare less affordable for many Australians. The AMA has been advocating for increased Medicare funding, noting that the MBS no longer bears a reasonable relationship to the actual cost of providing services to patients. Further, the AMA is currently undertaking a project to redesign the general practice consultation items, with the outcome to be published over the coming months.

The AMA also called for the establishment of an independent Private Health System Authority to fill the gaps in the current regulatory environment and oversee the private healthcare system. This 'independent umpire' would have the capacity, objectivity, and expertise to ensure the system evolves as government policy intends, balancing the interests of patients, day hospitals, private hospitals, private health insurers, medical device manufacturers, and doctors.

The AMA also highlighted the absence of policy regarding the proportion of premiums that should be returned in the form of health services, and the considerable variability in funds returned as benefits between insurers. To improve the value proposition of private health insurance, the AMA proposed a mandated minimum return amount (e.g. 90 per cent) to the health consumer for every premium dollar paid - a standardised return that is higher than the current private health insurance industry average. The AMA also called for the Medicare Levy Surcharge levels and thresholds to be reconsidered, noting growth in premiums has outstripped low wage growth.

In their submission, the Pharmacy Guild focussed on strategies to address the pharmacy workforce shortage, along with aged care reform, PBS prescribing and medicine affordability. The Guild noted that pharmacists and their staff were facing unprecedented demand, and expectations of their services have never been higher. And with an ageing population and further advancements in pharmacists working to their full scope, this demand will only increase. The Guild cited research which report found 74% of pharmacies were having trouble recruiting and retaining staff and around 18% of pharmacy employers said recruitment was the biggest challenge they face. Rural and regional pharmacies were identified as having the most difficulty in meeting the population's needs because of workforce shortages.

One of the proposals the Guild put to the Government was to extend the Higher Educational Loan Program (HELP) for rural doctors and nurse practitioners to pharmacists. This would attract more students to pharmacy and invest in the workforce for the future. Migration was another area identified which could help address the workforce shortages. The Guild proposed several initiatives in migration including a strategy to increase eligible visa classes that lead to permanent residency. The Guild also proposed to lift the cap on skilled migration as well as using immigration outreach officers to support the pharmacy industry to better understand sponsorship requirements and obligations.

Finally, there was a call to increase vocation education and training to "ensure skills and training are appropriate for the future pharmacy workplace." The Guild noted that the proportion of part-time to full-time pharmacists in community pharmacy is "significantly unbalanced" compared to other industries, and a large number of internationally trained pharmacists have applied for Australian registration.

The Australian Dental Association noted that oral health was at the foundation of overall health, happiness, and quality of life. People who have a healthy mouth can eat, speak, and interact with others without experiencing discomfort or shame. But, despite advancements in recent decades, more Australians have poor dental health than they would like. The submission focused on four key opportunities to: create a senior dental benefits scheme; enhance the child dental benefit scheme; adjust public dental services for adults funding arrangements; and consider the introduction of health savings accounts.

The ADA noted the cost of poor oral health for older Australians had been put at more than $750 million per annum and those aged over 65 accounted for around 13,791 potentially preventable hospitalisations due to dental conditions in 2021-22. The ADA highlighted that the Royal Commission into Aged Care Quality and Safety had agreed with their recommendation to establish a Senior Dental Benefits Scheme (SDBS) and hoped it would be followed through. Further, the introduction of a SDBS should be supported by efforts to increase the oral health literacy of care staff. This could be achieved by including mandatory oral health units of study in the Certificate III in Aged Care. The ADA also proposed a telehealth solution that would ensure additional support for care staff.

The ADA also called for a review of the Child Dental Benefit Schedule (CDBS) limit for high-risk children. It was noted that while a limit of up to $1,095 in benefits over a relevant two calendar year period was not sufficient to cover the cost for children with more extensive treatment requirements. Moreover, to broaden access to these services, CDBS benefits should be extended to services provided in a hospital and for mouthguards. The ADA also called on the Government to consider increase funding for public dental services for adults, so that more eligible Australians could receive care without needing being put on a waiting list for extended periods of time.

Finally, the ADA urged the Government to consider tax incentives which would allow Australians to save for their own future dental and other health care spending. It was expected that an average of $1,226 would be saved annually by Australians because of the savings incentives. The ADA also noted that it would be possible to tailor the tax incentive rate, for example, to focus on helping those with income that may disqualify them from receiving public dental care, but who may find it difficult to afford some treatment in the private system. This might also encourage private health insurers to offer better value for money, to compete with the alternative of health savings accounts.

Private Healthcare Australia noted that every patient treated in the private sector takes pressure off strained public hospital systems. And while Medicare has secured some wonderful outcomes for Australia, it needs reforms to better meet the changing needs of the population – including some 14.7 million Australians with private health insurance. To this end, the PHA focussed on two key themes: improving productivity; and advancing health equity.

There were four main recommendations for improving productivity:

1. Promote general practice and health prevention activities (How? – link MyMedicare to private health insurers to maximise access to programs for consumers; and encourage health promotion by health funds by incentivising through the risk equalisation pool).
2. Reduce low value care (How? – continue to address fraud and miscoding; target low value procedures for elimination through Medicare; set a target to reduce length of stay in hospital to reduce the burden of treatment for consumers; and ensure all hospitals report data as a condition of Medicare funding).
3. Modernise the health system by promoting out of hospital care (How? – remove default benefits which incentivise longer hospital stays and replace with a national efficient price).
4. Reduce unnecessary costs (How? – introduce "surprise billing" legislation to ensure consumers do not have to pay for unknown medical costs; reduce the prices of medical devices to the world average; introduce an ACCC-approved code of conduct for medical devices).

And to advance equity PHA proposed:

1. Rebalancing private health insurance incentives (How? – redistribute the rebate to favour people with lower incomes; and increase the Medicare Levy Surcharge to ensure people on high incomes are not clogging up public hospital resources).
2. Improving mental health care (How? – remove the prohibition on health funds using nurse practitioners and peer support workers; remove the barriers on health funds supporting alcohol and drug programs in the community; allow health funds to contribute to in-room psychiatry to help avoid unnecessary hospitalisation; and encourage greater investment by health funds into mental health programs through incorporating mental health into the risk equalisation pool.

3. Increasing access to digital health care (How? - encourage greater investment by health funds into digital health care through incorporating mental health into the risk equalisation pool; build on the Digital Health Blueprint 2023–2033 to ensure interoperability between digital health care solutions and with My Health Record).

Allied Health Professions Australia (AHPA) framed their submission by noting that despite allied health being the second largest health workforce in Australia, there is no national allied health workforce strategy and no comprehensive accurate picture of all the settings, sectors and locations in which allied health professionals work. Australia's 200,000 allied health professionals represent almost a third of the health workforce and deliver more than 200 million health services annually. Allied health professionals provide a broad range of diagnostic, technical, therapeutic and direct health services. There is no universally accepted definition of allied health professions.

Against this background, the AHPA highlighted 4 key health priorities: building a sustainable allied health workforce; facilitating interoperable sharing of allied health information; promoting excellence in Residential Aged Care allied health data, analysis and evaluation; and ensuring best practice provision of allied health supports to NDIS participants.

The Australian Psychological Society noted Australia's resilience had come under strain recently against the backdrop of profound multiple economic, environmental, health and social challenges. Against this backdrop the APS called for:

- The expansion of the APS Disaster Response Network (DRN) to enable it to proactively prepare communities for the impact of disasters;
- Continued investment in the DRN to ensure ongoing responsiveness to front line emergency workers and volunteers in communities impacted by disasters;
- The development of evidence-based school programs, delivered by school psychologists to equip students with strategies to cope with adversity and manage stress;
- The introduction of a Medicare youth mental health safety net to enable more young Australians to access mental health services in an affordable and sustainable way;
- The development of psychology-informed resources to support the transition of care between digital mental health services and professional-led mental health services;
- The provision of subsidised training and learning opportunities to help the psychology and mental health workforce to use AI to support their clinical practice; and
- The establishment of a national panel of young Australians to understand the psychological and ethical impacts and needs relating to AI on our youth.

Aged & Community Care Providers Association (ACCPA) focussed on the key themes of sustainable funding, easing the workforce crisis and innovation. According to the ACCPA, half of residential providers are losing money on each and every resident and home care is trending down. They called for funding changes aimed at providing long-term solutions including an increased role for consumer contributions towards aged care services, something strongly recommended by the taskforce report, for those who have the means to do so, while supporting and protecting those most in need.

Under the recommendations, the Government would remain the primary funder of aged care. But people receiving aged care services, if they can afford it, would contribute more towards the cost of those things, such as accommodation and daily services, that they have typically paid for throughout their lives. And, despite significant investments from government in recent years, the sector is still struggling to keep its head above water.

The continuing workforce crisis in Aged Care was another major priority in ACCPA's pre-budget submission, advocating for better access to education, improved access to housing for care staff, easier migration routes for overseas workers, and direct funding of targeted aged care workforce programs. While ACCPA welcomed the Fair Work Commission decision to award further wage rises to direct care workers, they acknowledged the disappointment facing many other workers, who will receive substantially smaller increases.

ACCPA also called for $990 million over three years to encourage innovation, support and enable technology transformation of aged care providers to enhance quality care, create efficiencies and support continuous improvements.

Vision 2020 Australia framed their submission by noting over 14 million Australians have one or more long-term eye conditions; of these, more than 150,000 have partial or total blindness. They called on the Government to ensure that Australians can access the eye care services they need, when they need them by:

1. Supporting a self-determined future for First Nations eye health (costed at $63.1 million). Recommendations included the establishment of a First Nations Eye Health Alliance and upskilling aboriginal health workers in eye health and the introduction of regional eye health managers);
2. Ensuring eye care, early intervention and education are accessible for all Australian children including those with irreversible vision loss and blindness (including the introduction of vision screening for all 3.5 to 5-year-old children and the introduction of a National Vision Foundational Supports Program for Children with Vision Loss); and
3. Investing in eye health and vision research ($150M over 10 years). Recommendations

included the establishment of a dedicated Eye Disease and Vision Loss Mission within the Medical Research Future Fund (MRFF).

What did the Budget actually deliver?

Following on from last year's sizeable investment in **Medicare**, this year's budget announced an additional $2.8 billion over five years to support the system. This includes:

- $882.2 million over five years to reduce unnecessary hospital admissions and support the earlier discharge of older Australians from hospitals by addressing challenges that long stay patients face, providing additional short term care following discharge, and improving the transition to residential aged care or palliative services.
- $895.6 million over four years to support the Medicare Benefits Schedule. This includes funding permanent items on the MBS for PCR pathology testing for COVID-19 and other respiratory pathogens; improvements to primary care and clinical practice (including maternity care, complex gynaecological conditions and imaging technologies for cancer patients); indexation for labour-intensive pathology services; improving the viability of nuclear medicine imaging via a schedule fee increase and annual indexation (in line with other diagnostic imaging).
- $631.1 million over four years (and $112.1 million per year ongoing) to support access to vaccines, including for COVID-19 and shingles & postherpetic neuralgia.
- $227.0 million over three years to add a further 29 Medicare Urgent Care Clinics across the country (bringing the total to 87) – reducing pressure on hospital emergency departments.
- $121.3 billion over four years to support the Royal Flying Doctor Service and expand Healthdirect Australia to expand services (particularly to remote communities).

The **aged care** sector will receive $2.2 billion over five years to continue reforms and implement recommendations from the Royal Commission into Aged Care Quality and Safety. The package includes:

- $1.2 billion to support and enhance critical aged care digital systems.
- $531.4 million in 2024-25 to fund an additional 24,100 Home Care Packages.
- $110.9 million over four years to increase the regulatory capability of the Aged Care Quality and Safety Commission.
- $87.2 million over four years to attract and retain aged care workers.
- $37 million for the My Aged Care Contact Centre to reduce wait times.

New and amended listings on the **Pharmaceutical Benefits Scheme** will cost $3.4 billion over five years and include treatments for COVID-19, leukaemia, cystic fibrosis, multiple sclerosis, chronic kidney disease and ovarian cancer among others.

The government will also spend $480.2 million over five years to improve access to and reduce the costs of a range of medicines. This measure includes pausing indexation of PBS general co-payments in 2025 and concessional co-payments from 2025 through to 2029.

Mental health services received $888.1 million over eight years (with an additional $139.8 million per year ongoing) to strengthen the system and support suicide prevention. Some of this funding had already been allocated in earlier programs, with partial funding from existing resources of the Department of Health and Aged Care, with new funding over the next four years totalling $100.6 million. This measure includes:

- $588.5 million over eight years for a free of charge digital mental health service without referral for people with mild concerns.
- $71.7 million over four years for design and delivery of mental health multidisciplinary services for patients with severe and/or complex needs in primary care settings.
- $35.9 million over four years to extend existing mental health measures that were due to expire.
- $29.9 million over four years to expand free community based mental health services for adults with moderate-to-severe mental health needs.

The **disability support** sector also received additional spending. This included:

- $468.7 million over five years to upgrade the NDIS Quality and Safeguards Commission's IT systems, respond to the findings of the Independent NDIS Review and improve fraud detection and prevention. Some of this funding for this measure has already been provided.
- $253.6 million over five years to invest in a new specialised disability employment program and to improve employment services and supports for people with disability.

There was also a notable investment in **preventative health** in this budget, with $514.8 million over four years to support the National Medical Stockpile, the National Critical Care and Trauma Response Centre, the Good Sports Program among other programs. A further $132.7 million over three years is being allocated to support sports participation.

The budget allocates $116.2 million over five years to strengthen the **healthcare workforce**. This includes implementing recommendations from the Kruk Review, extending the General Practice Incentive Fund to 30 June 2025.

How did the sector react?

The Australian Medical Association (AMA)

The AMA viewed the budget as a lost opportunity to make further progress in addressing key health system challenges, including greater funding and support for patients to access care in general practice. AMA President Professor Steve Robson said "there was little that was new in this year's budget, and this represented a real loss of momentum towards a more efficient and sustainable health system." The AMA believes MyMedicare provides the government with a real platform to reform general practice and improve access and affordability for patients, "but the extra funding needed to build on this initiative was missing." The AMA also noted that more urgent care clinics were not a long-term strategic solution and that every general practice had the capacity to provide urgent care. The AMA was also disappointed the federal government, together with the states and territories, had not detailed how they would tackle the blowout in planned surgery waitlists in public hospitals. The AMA welcomed however the announcements concerning women's health (including new Medicare items for longer consultations for complex conditions such as endometriosis and pelvic pain), and the additional 24,100 home care packages for 2024/25 to help support older Australians remain in their homes for longer.

While the budget detailed some additional funding for mental health services, the AMA was concerned by the removal of specific Medicare items for the review of a mental health care plan, which is often undertaken as part of a broad assessment of a patient's physical and mental health needs. More generally, preventive health was viewed again as a loser in this year's budget, with the government failing to introduce the AMA's recommendation of a sugar tax on some drinks. They were also disappointed by the absence of private health insurance reform given the increased cost-of-living.

The Royal Australian College of GPs

The RACGP, which trains 90% of Australia's GPs, said the Federal Budget provided little to no relief for Australians struggling to afford essential healthcare and would not help the cost-of-living crisis. RACGP President Dr Nicole Higgins said the government had "dropped the ball for Australians struggling to afford essential healthcare", and that it is was a "huge disappointment for GPs, practice teams, and our patients." While acknowledging the government had taken the first step to repair decades of devastating underfunding of Medicare and general practice care last year, the RACGP said this work will now stall and out-of-pocket fees will increase. They also noted there was no more support for rural and regional patients, or people with chronic conditions, which is where the need was greatest. The lack of support to get more GPs in training was also seen as disappointing and short-sighted.

The Australian College of Nursing (ACN)

The ACN welcomed the cumulative impact of funding and measures in the Budget as recognition by the Government of the vital and significant role of nurses and nursing in providing quality health care for all Australians. Interim ACN CEO, Emeritus Professor Leanne Boyd, said "This Budget contains measures that respect nursing and recognise the unique and valued role that nurses play across the health system in so many settings." Professor Boyd also acknowledged the Government's decisions to introduce Commonwealth Prac Payments for compulsory training work placements for nurses and provide HECS/HELP relief to ease student debt would help bolster the nursing workforce. It was also noted that The Primary Care Nursing and Midwifery Scholarship Program would support and encourage nurses and midwives to get higher qualifications to enable them to prescribe, order pathology, and provide patient referrals. Moreover, the funding of an additional 29 Urgent Care Clinics would provide nurses with more opportunities to lead care and pursue different career pathway options. The ACN were supportive of a range of other health measures in the Budget including new funding for mental health nurses.

Catholic Health Australia (CHA)

The CHA said the government's decision to delay its essential aged care reforms in this budget threatened access to quality and dignified care for older Australians today and for the future. CHA Director of Aged Care Policy, Laura Haylen said "It's been six months since the Aged Care Taskforce delivered its recommendations and the government has not even responded to them." The CHA also said asking residents who can afford it to contribute more towards their living expenses "is the fairest way to deliver this extra funding."

The CHA also supported the government's decision to defer the commencement of the new Aged Care Act to 1 July 2025 to provide much needed time to get the Act right.

Australian Psychological Society (APS)

The APS welcomed the government's focus on mental health reform but said much more investment is needed to overcome the challenges facing the community and the psychology sector. APS President Dr Catriona Davis-McCabe said "there is so much more the government can be doing to help people right now." Dr Davis-McCabe also noted that during a cost-of-living crisis it was extremely disappointing that patients will continue to face an average gap fee of $100, and that "too many people are using their credit card instead of a

Medicare card to pay for their psychology treatment." The APS was also "profoundly disappointed" that the government had not committed to re-introducing the 20 Medicare-rebated sessions in this Federal Budget. Moreover, while the government has said it will establish 61 Medicare Mental Health Centres, the APS was concerned that it had allocated just $29 million towards the initiative. In addition, while the government's commitment to extending the broader mental health workforce, was welcomed, the APS reiterated its position that it does not support "professional substitution", with an urgent need for more funding for psychology university places.