

Federal Budget 2018-19 Fast Facts



Health & Aged Care

“A Longer and Healthier life”

Massive increases in Home Care Funding to provide adequate support for seniors to stay at home longer; and a National Health and Medical Industry Growth Plan to improve health outcomes and develop Australia as a global destination for medical sector jobs, research and clinical trials.

Most important take outs

- **Aged care:** Increasing the number of home care places by 14,000 over four years at a cost of \$1.6b and the release of 13,500 residential aged care places in the 2018-19 Aged Care Approvals Round.
- **Hospitals:** The government will provide \$130.2b over five years from 2020-21 to the States and Territories for public hospital services after the expiry of the current agreement.
- **PBS:** A provision of \$1.0b over the forward estimates to list new medicines on the Pharmaceutical Benefits Scheme (PBS).
- **Medical Research:** Funding of \$1.3b over 10 years from 2017-18 for a National Health and Medical Industry Growth Plan to improve health outcomes and develop Australia as a global destination for medical sector jobs, research and clinical trials.
- **Rural health:** The Royal Flying Doctor Service will be given an \$84m boost to ensure it isn't forced to wind back its services.
- **GPs & Allied Health:** Workforce Incentive Program to provide incentives for general practice to employ allied health professionals and for doctors to practice in non-metropolitan areas.
- **NDIS:** \$92.1m over five years to ensure

continuity of support for people who are not eligible for the National Disability Insurance Scheme (NDIS), but are currently receiving support under programs that are transitioning to the NDIS.

Main impacts to your business

Aged care

- The increase in home care support packages will allow seniors with high care needs to access a range of support services and this will reduce or delay the need for seniors having to move into the much costlier residential aged care that requires significant investment in infrastructure.
- Seniors moving into residential aged care will be frailer with higher care needs and this will put added strain on aged care providers to deliver quality care under the current funding model that relies predominantly on government funding.
- The increase in home care packages and the full rollout of the National Disability Insurance Scheme, coupled with existing supply demand in residential aged care will provide significant challenges in meeting an increasing demand for a more highly skilled aged care workforce.

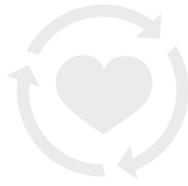
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Main impacts to your business

Medical Research

- The Medical Research Growth Plan provides significant funding to drive investments in medical innovation, allow collaboration and partnerships between researchers, healthcare professionals, biomed-tech firms, government and the community.
- The investments will use proceeds from the Medical Research Future Fund (MRFF), and will include \$500m over 10 years from 2017-18 committed to the Genomics Health Futures Mission, including \$10.7m in 2017-18 for genomics research.
- The plan will provide more support for medical research projects, new diagnostic tools, clinical trials of new drugs, scientific collaboration, and development of new medical technologies that can be sold overseas.
- The aim is about building a strong and competitive industry in Australia that will generate income and jobs, 'from the white coats in the labs to the workers making new medical devices on the shop floor'.

Maximising your opportunity

- It is well known that Australia's population is ageing. The number of Australians aged 85 and over is projected to more than quadruple from around 0.4m in 2010 to 1.8m in 2050.
- An increasingly aged population will result in a significant growth in both demand for and spending on health and aged care services, pharmaceutical products, medical equipment, complimentary health care services, health and wellness products and services.
- The budget measures will stimulate the home care sector and along with other initiatives such as the pension loan scheme that provides funding that could be used for aged care, provide a spending boost to the health and aged care industry.
- Demand for home care services and higher levels of care will increase and providers will need to align their model of care to consumer needs and expectations in an increasingly competitive market place.
- Workforce management and development will be critical with the increasing demand for skilled aged care staff.
- The funding commitment to the Medical Research Growth Plan provides an exciting opportunity for medical product development and commercialisation to enhance the sustainability of our health system and deliver long term benefits.

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