

## Request for Costing an Election Commitment

<b>Name of proposal:</b>	Improving Access to General Practice
Person requesting costing:	Shane Rattenbury MLA
Date of request:	8 October 2024
Summary of proposal:	<ol style="list-style-type: none"> <li>1. A Greens Government will provide four bulk billing clinics across Canberra delivering 160,000 appointments annually.</li> <li>2. A Greens Government will also deliver better access to GP appointments for people living with long term conditions, such as mental illness and musculoskeletal conditions by employing 8 GPs across Canberra.</li> </ol>
Issue the proposal will address:	<ul style="list-style-type: none"> <li>- Every Canberran should have access to affordable healthcare, but at the moment the lack of bulk billing GPs means some people aren't getting the care they need.</li> <li>- Quick diagnosis and treatment at early stages of illness will be aided by greater GP access.</li> <li>- This proposal will tackle considerable spend on hospital care resulting from presentations which could have been avoided through earlier primary care intervention.</li> <li>- People living with chronic conditions need easy access bulk-billing GPs. This proposal will provide for that.</li> <li>-</li> </ul>
Proposal's public announcement details (media release or policy statement published on a party website) <sup>1</sup> :	<a href="#">160,000 More free doctor's visits: ACT Greens promise to boost bulk billing   ACT Greens</a>

### What are the key assumptions that have been made in the proposal?

**Note:** The costing will be developed on the basis of information and assumptions provided

<sup>1</sup> As per Part 2, section 5 of the *Election Commitments Costing Act 2012*

in the costing request. The professional judgment of the Under Treasurer will determine whether these assumptions are adopted in the costing of the proposal.

### **GPs for chronic conditions**

\$1m per year to deliver better access to GP appointments for people living with chronic conditions. Based on GP registrar salary of \$121,000 inclusive of superannuation.

### **Four bulk billing GP clinics**

The Federal Government pays GPs from the Medical Benefit Schedule every time they see a patient.

When patients see a GP, the gap payment they make covers overheads – like the office space, receptionists and ancillary staff, IT systems, utilities, public liability insurance and profit. The ACT Greens propose that ACT Government provide the buildings and infrastructure so that seeing a GP is completely bulk billed, with no gap payment to make.

Based on seeing 3 patients an hour, 7 hours a day, 5 days a week and with 4 weeks annual leave, a GP at this clinic could earn \$207K in a year just from the Medical Benefit Schedule payments.

And for that, they'd see 105 patients a week.

In a clinic with 8 GPs, that's 840 appointments a week being bulk billed.

With four clinics - two northside and two southside - that's 3,360 bulk billed patient visits a week, or more than 160,000 appointments per year.

The aim here is not to undercut private GP practices, but to make it possible for more GPs to be self-employed without the stress of running a practice. This is good for people who would otherwise go to Emergency or a nurse-led walk-in clinic. For example, people who don't see a GP very often, and so don't have a regular GP; or people with an urgent need who can't wait for an appointment with their regular GP.

### **Cost: \$5.5m over four years, plus \$1.5 million capital expenditure**

- Invest around \$2m per year in four bulk billing GP centres (two northside, two southside). Cost includes:
  - Salaries of medical reception staff
  - Consumables + cleaning + general running
  - Public liability insurance (but not medical negligence insurance because not ACT Gov employees)
  - Use of DHR for clinical records management
- Capital costs of around \$1.5m for fit out of existing ACT Government-owned properties to become clinics.

### **How we will pay for it:**

Hospital system costs continue to rise each year in the ACT. By improving primary care and thereby reducing avoidable hospital admissions, we can reduce the rate of growth in hospital costs. In planning for the construction of the new Northside Hospital, reduced hospital demand would mean we could reduce costs by delaying the opening of some beds until future years.

## Supporting statistics

1. [The National Strategic Framework for Chronic Conditions 2017-2025 recognises that:](#)
  - a. “Chronic conditions are occurring earlier in life and Australians may live for longer with complex care needs.
  - b. This means individuals require more services from a range of providers across the health system over extended periods of time.
  - c. Change must occur to deliver a sustainable health system that responds more effectively to chronic conditions.”
2. This would likely be focussed upon Mental Health and musculoskeletal conditions initially, due to the data about burden of chronic disease data in the ACT.

[National Health Survey 2022](#) - ACT chronic condition stats below

- MSK: 154,400
- Arthritis 62,000; Back problems (dorsopathies) 74,700; osteoporosis 17,700
- Mental Health Conditions: 125,600

What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this proposal and estimated costs each year (if available)?

	2024-25	2025-26	2026-27	2027-28	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenue<sup>(a)</sup></b>					
<b>Expenses<sup>(a)</sup></b>	0	-1,500	-2,000	-2,000	-5,500
<b>Capital<sup>(a)</sup></b>		-1,500	-0	-0	-1,500
<b>Depreciation<sup>(a)</sup></b>					
<b>Offset - Expenses<sup>(a)</sup></b>					
<b>Offset - Capital<sup>(a)</sup></b>					
<b>Full-time equivalent employees</b>		<b>8 (part year)</b>	<b>8</b>	<b>8</b>	

(a) A negative number indicates a decrease in revenue or an increase in expenses, depreciation or capital outflows. A positive number indicates an increase in revenue or decrease in expenses, depreciation or capital inflows. The expenses row is not to include depreciation costs.

Has any specific information or data been utilised in generating the proposal? Please provide links or attach information/data sources referenced.

Hyperlinks above

Where relevant, is funding for the proposal to be demand driven or a capped amount?

Capped
Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the proposal? Does the proposal provide additional funding to, or redirect, any existing Commonwealth/State or Territory funding arrangements?
Yes, listed above.
Will funding/the cost require indexation?
Yes.
Who will administer the proposal?
ACT Health to lead on policy development and realisation.
How will the proposal be administered?
ACT Health will likely engage Canberra Health Services to deliver this proposal.
Is the proposal part of a broader package? If so, please identify the other elements of the package.
<p>ACT Greens have a broader health package including:</p> <ul style="list-style-type: none"> <li>- A Health Board for the ACT to deliver strong governance for the health system</li> <li>- Free Ambulances</li> <li>- Health Centres of Excellence (Neurodiversity centre, Freestanding birth centre, Perinatal health inpatient care, Integrated eating disorder care)</li> </ul> <p><a href="https://greens.org.au/act/policies/health">https://greens.org.au/act/policies/health</a></p>
Has an allowance been made for expenses necessary to support the implementation of this proposal?
<ul style="list-style-type: none"> <li>- If no, will the government agency be expected to absorb expenses associated with this proposal?</li> <li>- If yes, please specify the key assumptions.</li> </ul>
In the context of an overall health budget which in 2024/25 is \$2.7bn, ACT Health and Canberra Health Services will be expected to direct existing resources to administer the delivery of this proposal. We anticipate that this reorganisation of resources will save future costs to the healthcare system.
Will the proposal generate savings or offsets? If so, please quantify any savings or offsets.
Yes, through reduced hospital admissions and increased population health. However these costs have many variables and therefore not easily quantifiable. ACT Treasury may wish to look at Australian Institute of Health and Welfare for relevant studies on this.
Has the proposal been previously costed by an external (third) party? If so, will a copy of this

material, including any assumptions, be made available to Treasury?
N/A
What are the community impacts associated with the proposal? Who and how many people will be affected?
160,000 GP appointments will be available to Canberrans annually, helping provide better and free access to health care for people across the ACT.
Are there any transitional considerations associated with implementation of the proposal? If so, how will they be managed?
N/A
What is the intended implementation date of the proposal?
Fully implementation by end of FY25/26
When is the proposal expected to be fully operational? Please provide details such as the start and end dates, the level of commitment during each period etc.
Prior to 30 June 2026.
Will the proposal cease, and if so, when?
N/A
Is there any additional information relevant to this proposal?
N/A