

PRO-FORMA REQUEST FOR COSTING AN ELECTION COMMITMENT¹

Name of policy	Regional Health Package
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister.
Date of public release of policy:	3 May 2022 and 11 May 2022.
Link to the publicly released policy:	https://nationals.org.au/landmark-investment-to-boost-rural-doctor-workforce/ https://nationals.org.au/new-regional-training-hub-to-train-medical-students-locally/
Date of request to cost the policy:	12 May 2022.
Summary of policy (please attach copies of relevant policy documents):	<p>The Coalition will invest \$150.4 million over the next four years to improve regional health outcomes for patients by encouraging more doctors and allied health professionals into regional and rural communities.</p> <p><u>Element 1</u>: \$35.0 million to provide an additional two rounds of Innovative Models of Collaborative Care program across Modified Monash Model 3-7 regions from 1 January 2023.</p> <p><u>Element 2</u>: \$15.0 million to expand the John Flynn Prevocational Doctor Program to support 1,000 rotations in rural Australia per year by 2026 from 1 January 2024.</p> <p><u>Element 3</u>: Expand the Murrumbidgee single employer</p>

¹ An electronic version of this pro-forma can be found at www.electioncostings.gov.au/templates.

	<p>model trial to more regions across rural Australia from 1 July 2022.</p> <p><u>Element 4</u>: \$9.0 million for additional training posts outside of community general practice for rural generalists and GP registrars and fellowed GPs to undertake advanced skills training from 1 January 2023.</p> <p><u>Element 5</u>: Invest \$87.5 million to provide additional workforce incentives to GPs and allied health professionals and to provide further targeted support to rural generalists from 1 January 2023.</p> <p><u>Element 6</u>: GP catchments that were granted Distribution Priority Area (DPA) status under the exceptional circumstances review process will have their status extended for 12 months from 1 July 2022.</p> <p><u>Element 7</u>: \$3.9 million for three new Regional Training Hubs to improve the retention of medical graduates in the regions.</p>
Intention of policy:	To boost the rural doctor workforce to improve health outcomes for patients in regional, rural and remote communities.
Certification that this, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office:	This, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office.
<p>Description of policy (<i>note: where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request</i>)</p> <p>What are the key assumptions that have been made in the policy including:</p>	
<p>Is the policy part of a package?</p> <p><i>If yes, list and outline components and interactions with proposed or existing policies.</i></p>	Yes, Regional Health Package.

Where relevant, is funding for the policy to be demand driven or a capped amount?	Capped.
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? <i>If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?</i>	Yes, some services will be delivered and co-ordinated by Rural Workforce Agencies, Local Health Networks and third parties.
Are there associated savings, offsets or expenses? <i>If yes, please provide details.</i>	No.
<p>Description of policy (note: where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)</p> <p>What are the key assumptions that have been made in the policy including: (continued)</p>	
Does the policy relate to a previous budget measure? <i>If yes, which measure?</i>	No.
If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program? Will funding/cost require indexation? <i>If yes, list factors used.</i>	Not applicable.
What are the estimated costs each year? Are these provided on a cash or fiscal basis?	2022-23 \$19.5 million 2023-24 \$39.8 million 2024-25 \$44.1 million 2025-26 \$47.1 million Cash basis.
Are the revenue and/or expense costs likely to be significantly different beyond the forward estimates period? <i>If yes, why?</i>	Elements 2, 4 and 7 are ongoing with costs outside the forwards that are not expected to be significantly different to 2025-26.
What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?	Not applicable.

Has the policy been costed by a third party? <i>If yes, can you provide a copy of this costing and its assumptions?</i>	No.
What is the expected community impact of the policy? How many people or businesses will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?	To improve health outcomes in regional, rural and remote communities.
<i>Note: it will be up to the professional judgment of the relevant Secretary as to whether these assumptions are adopted in a Treasury or Finance costing of the policy.</i>	
Administration of policy	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc.)?	Department of Health.
Should departmental expenses associated with this policy be included in this costing? <i>If no, will the Australian Government Entity be expected to absorb expenses associated with this policy?</i> <i>If yes, please specify the key assumptions, including whether departmental costs are expected with respect to program management (by policy agencies) and additional transactions/processing (by service delivery agencies).</i>	No, Department of Health is expected to absorb departmental expenses.
Intended date of implementation.	<u>Element 1</u> 1 January 2023 <u>Element 2</u> 1 January 2024 <u>Element 3</u> 1 July 2022 <u>Element 4</u> 1 July 2022 <u>Element 5</u> 1 January 2023 <u>Element 6</u> 1 July 2022 <u>Element 7</u> 1 January 2024

Are there transitional arrangements associated with policy implementation?	<u>Element 2</u> Additional rotations are expected to ramp up as follows: 80 additional rotations in 2024, 160 additional rotations in 2025 and 200 additional rotations in 2026.
Will the policy be ongoing or terminating*?	<u>Element 1</u> Terminating 30 June 2026. <u>Element 2</u> Ongoing. <u>Element 3</u> Terminating 30 June 2026. <u>Element 4</u> Ongoing. <u>Element 5</u> Terminating 30 June 2026. <u>Element 6</u> Terminating 30 June 2023. <u>Element 7</u> Ongoing.
If terminating: What is the intended date of termination? Are there any transitional arrangements associated with the conclusion of the policy?	See above.
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	Not applicable.
Are there any other assumptions that need to be considered?	Not applicable.

* Ongoing policies continue indefinitely (until a decision is made to cease or alter the program). Terminating measures end on a date set out in the initial policy and a further decision is required to continue the program beyond this date.

Profile by element:

Element	2022-23 (\$m)	2023-24 (\$m)	2024-25 (\$m)	2025-26 (\$m)	Total (\$m)
1	5.0	10.0	10.0	10.0	35.0
2	0.0	1.8	5.3	8.0	15.0
3	0.0	0.0	0.0	0.0	0.0
4	2.0	2.2	2.3	2.5	9.0
5	12.5	25.0	25.0	25.0	87.5
6	0.0	0.0	0.0	0.0	0.0
7	0.0	0.8	1.6	1.6	3.9
Total	19.5	39.8	44.1	47.1	150.4

^ Totals may not add due to rounding.