

## **ADEA Analysis of the 2024–25 Federal Budget**

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## Overview

The 2024–25 federal budget delivered on 14 May highlights the government's bid to ease the cost-of-living pressures across most sectors of the economy. The budget includes \$10.7 billion of new investments in health and aged care, framed around the themes of strengthening Medicare and the care economy, cheaper medicines, a fit and healthy Australia, and quality aged care. We welcome this budget's investments in diabetes, which focus on cost relief. Further, there are broader investments in preventive health and research set to benefit the diabetes sector. However, we are disappointed [that the investments announced are inadequate for key diabetes priorities](#) relating to workforce, care, and research as proposed in [our joint pre-budget submission with Diabetes Australia and the Australian Diabetes Society \(ADS\)](#). This budget has fewer proactive measures for Australians with all types of diabetes and other chronic and complex conditions compared with the previous budget, which went further to reform parts of the nation's primary healthcare system, including [stronger measures for better multidisciplinary care in the community](#). These limited announcements are not unusual given a Parliamentary Inquiry into Diabetes is in progress. Once the government has considered the findings of the Inquiry, we anticipate a broader government response. We made submissions to the Inquiry and gave evidence in a 2023 public hearing as part of the Inquiry. We will analyse the findings report and government responses once published. Further, we also made and continue to make submissions to the government's Scope of Practice Review, which aims to explore the barriers and incentives for all health practitioners to work to their full scope of practice. We will also continue to analyse and monitor budget-related matters over the coming weeks and follow up with stakeholders and decision-makers as we continue to advocate for Credentialed Diabetes Educators (CDEs) and diabetes education.

## Diabetes Measures

Diabetes-specific measures include an additional \$3.7 million over four years from 2024–25 to subsidise additional devices under the Insulin Pump Program for financially disadvantaged Australians aged under 21 with type 1 diabetes. Some of this funding will go to JDRF for the pumps and some will go to the NDSS for consumables. JDRF has also received \$6.5 million for the Type 1 Diabetes Clinical Research Network for research that is already underway.

More broadly, \$141.1 million is set for research and services for people living with chronic conditions, including diabetes, bowel and skin cancer, and dementia. In addition, \$22.1 million will be invested over two years from 2024–25 to continue support for preventive health and chronic disease research to support the *National Preventive Health Strategy 2021–2030*, which includes diabetes prevention. The NDSS continues to be listed as a performance measure in the Department of Health and Aged Care's portfolio statement, with key activity being expanded access arrangements for continuous glucose monitoring products.

We welcome investments in preventive health, research, and services and we will seek further details about how the investments will benefit the diabetes sector. The additional funding announced for type 1 diabetes care and research is also welcomed. However, we will continue advocating for our priorities for people living with all types of diabetes, including expanded access to technologies.

## Strengthening Medicare and the Care Economy

This will be a total investment of \$2.8 billion with key measures being the Medicare Urgent Care Clinics, women's health, and mental health. The national network of Urgent Care Clinics is set to grow by 29 (to a total of 87) with a \$227 million investment, which will also provide additional

support for clinics in regional, rural, and remote areas. The investment aims to increase access to care for urgent but not life-threatening conditions and thereby take pressure off hospitals' emergency departments. The clinics are intended to be GP-led with allied health professionals at some clinics and we understand that the regional, rural, and remote clinics have not yet been decided. We will continue to have discussions with stakeholders and the government about how the clinics' multidisciplinary care teams can expand to include more allied health professionals, including CDEs\*, to ensure seamless and continuity of care for each local health area.

In mental health, \$361 million is allocated for new and free services that aim to shift away from a one-size-fits-all approach, which includes a national early intervention service that anyone can access for free anytime. It also includes an upgraded nationwide network of 61 Medicare Mental Health Centres to offer free, walk-in access to mental health care professionals for adults with more complex mental health needs. The investments include wraparound care for people with severe and/or complex needs in primary care settings through the design and delivery of mental health multidisciplinary services. We commend the strong investments in mental health services, particularly in relation to the principle of individualised care. "People with severe mental illness are three times more likely than the general population to have diabetes..." ([National Preventive Strategy 2021–2030](#), page 68), and increased investment in mental health is critical. However, a concern we share with Allied Health Professions Australia (AHPA) is that services will "provide access to someone trained in evidence-based therapies" without stipulating that these services must be provided by appropriately qualified mental healthcare providers. We will seek clarification about that issue and more information about how these services will support mental health in people with diabetes.

In women's health, there will be an investment of \$160 million, which includes \$56.5 million for endorsed midwives to provide longer consultations under Medicare before and after the birth of a child. To boost the supply of healthcare in areas of shortage, \$17.4 million is set to help health services at risk of closing. Primary Health Networks and Rural Workforce Agencies will work with local communities to support people to get the care they need close to home. We will seek further details about how these investments in endorsed midwives and help for services at risk of closing may support diabetes care and referrals to CDEs.

## Cheaper Medicines

This will be a total investment of \$4.3 billion with key measures focusing on reducing patient costs and improving access to essential medicines. This includes a one-year freeze on the maximum co-payment for a PBS prescription for all Medicare cardholders and up to a five-year freeze for pensioners and concession cardholders. This is part of the Eighth Community Pharmacy Agreement, in which the Pharmacy Guild of Australia has negotiated for the government to take over the cost of an optional \$1 discount on prescriptions, which pharmacies were previously paying.

In another measure, \$3.4 billion will be invested over five years for new and amended listings to the PBS, particularly high-cost medicines, including medicines to treat a specific type of early breast cancer and two different types of heart disease. Examples of new and amended PBS listings since the 2023–24 mid-year economic and fiscal outlook include medicines for COVID-19, chronic kidney disease, and chronic heart failure. We welcome the measures to help reduce the costs and expand access to more medicines.

## Fit and Healthy Australia

This will be a total investment of \$1.3 billion to prevent illnesses, detect diseases earlier, treat chronic conditions, and encourage active and healthy lifestyles. This investment includes \$25.3 million to prevent skin cancer, \$38.8 million to continue funding for free bowel cancer screening, \$43.9 million to work towards eliminating HIV transmission by 2030, and \$132.7 million to boost sports participation. We welcome the investment in healthy lifestyles, with investment primarily focused on sports participation, as physical activity is a major component of diabetes education and care; however, we will continue to advocate for more funding for diabetes prevention.

## Quality Aged Care

This will be a total investment of \$2.2 billion over five years from 2023–24 to deliver key aged care reforms and to continue to implement recommendations from the Royal Commission into Aged Care Quality and Safety. Key measures include \$531.4 million in 2024–25 to release 24,100 additional home care packages. The investment will also go toward improving the workforce, which will include growing the home care workforce in regional, rural and remote areas; and support for better career pathways for nurses in aged care. We welcome the continued implementation of recommendations from the Royal Commission and the release of additional home care packages. However, we will seek details about how these measures will improve the care of people with diabetes and will continue to advocate for the vital role of the diabetes workforce in aged care.

## Other Relevant Measures

### MyMedicare

The government will invest \$16 million over four years from 2024–25 (and \$0.2 million per year ongoing) to implement system changes to MyMedicare, enabling the payment of incentives to general practitioners and general practices to support wraparound primary care for frequent hospital users. We will provide additional information as it becomes available. We will continue to advocate that people living with diabetes must be referred to CDEs and the multidisciplinary diabetes care team as part of this initiative.

### Health Workforce

The government will invest \$116.2 million over five years from 2023–24 to strengthen and support the health workforce. Of that figure, \$90 million is for the implementation of the health-related recommendations of the *Independent Review of Australia's Regulatory Settings Relating to Overseas Health Practitioners* (the Kruk Review) to grow and support the health workforce. The overall investment also targets GP-related incentives and programs. The final report of the Kruk review identifies immediate actions that governments and regulators can take to alleviate shortages in the health workforce and ensure all Australians can access timely and appropriate healthcare. We will work with AHPA to ensure the role of the CDE workforce is considered in the implementation of the review recommendations.

### Medical Research

An additional \$1.4 billion will be invested over 13 years from 2024–25 in the Medical Research Future Fund to continue life-saving medical research in Australia. The additional investment will bring the total commitment to the fund over 13 years to \$6.4 billion. Funding categories include translating research outcomes into medical practice, women's health, support for innovative treatments, clinical trials, and the development of the [National One Stop Shop for Clinical Trials and Human Research](#). With our unified partners, ADS and Diabetes Australia, we will consider the details

of those funding commitments and how they may support diabetes research. These investments are pertinent to our request for more funding for diabetes research in our joint budget submission and we will continue to advocate for this.

### Prac Payment

The Commonwealth Prac Payment will invest \$427.4 million over four years from 2024–25 and an additional \$1.2 billion from 2028–29 to 2034–35. This payment will be \$319.50 per week (benchmarked to the single Austudy rate) from 1 July 2025 for tertiary students undertaking supervised mandatory placements as part of their nursing (including midwifery), teaching or social work studies. The move will help address "placement poverty" that those students face when undertaking mandatory, unpaid placements as part of their degrees. This is a positive step, and we believe it should expand to other health study areas, including to those undertaking the Graduate Certificate in diabetes education and management. We have been advocating for financial support for placements in diabetes education and we will continue to do so, including seeking to engage with the relevant ministers to try to expand the Prac Payment. Further, we will continue to work with AHPA as they also seek to expand the program to the allied health sector.

### Preventive Measures Relating to Diabetes

An additional \$2 million over two years from 2024–25 will be invested in the National Heart Foundation of Australia to continue implementing the updated Cardiovascular Disease Risk Guideline and Calculator. As people living with diabetes have an increased risk of developing cardiovascular disease (CVD), we are pleased with this investment. ADEA and our unified partners will be supporting the National Heart Foundation with the implementation of the Guideline and Calculator.

*\*Even though CDEs have various professional backgrounds, including allied and non-allied health professions, diabetes education and CDEs are considered allied health for Medicare purposes.*