Federal Budget 2021-2022



24 May 2021

This briefing outlines measures announced in the Australian Government's 2021-22 Budget, particularly those relevant to HIV, LGBTIQ health and other HIV affected communities in Australia, Asia and the Pacific. This briefing draws on Treasury papers, the Department of Health and Department of Foreign Affairs and Trade, analysis from non-governmental health, welfare and development peak organisations, and additional commentary from independent health journalism.

Our Pre-Budget submission emphasised the impact of COVID-19 on HIV through interruptions to healthcare affecting access to testing, prevention, and treatment services. We advocated for adequate funding for the implementation of the *National BBV and STI National Strategies* and funding to enable equitable access to the prevention and treatment of HIV for people ineligible for Medicare.

We also endorsed the Global Health Alliance Australia's request for additional funding to mitigate the effects of COVID-19 on HIV, tuberculosis and malaria in the Asia Pacific.

Key Points

- \$17.7 billion will be invested in aged care following the Royal Commission on Aged Care Quality and Safety.
- \$2.3 billion will be invested in the National Mental Health and Suicide Prevention Plan, creating 57 additional mental health centres and satellites for adults and more centres for youth and children through the Head to Health and headspace programs.
- HIV treatment for people without access to Medicare has not been approved in this year's Budget. Both AFAO and NAPWHA have received assurances that progress toward this outcome continues. We will liaise with Minister Hunt's office and the Department of Health to track developments.
- The Government has decreased its Official Development Assistance budget from 0.23% per Gross National Income (GNI) in 2020-21 to 0.21% in 2021-22. This amount is well below the international benchmark of 0.7% GNI, recommended by the United Nations.

Summary

The Morrison Government is investing \$121.4 billion in 2021-22 and \$503 billion into health over the next four years. This includes measures to extend the COVID-19 health response and Telehealth arrangements until the end of the year.

The <u>prevailing opinion</u> is that the Budget will benefit low and middle-income earners, women, the aged care industry, those working on infrastructure projects and single parents, with key announcements focussing on driving the economy as Australia recovers from COVID-19.

In their Budget reply, the <u>Australian Labour Party</u> emphasised a commitment to jobs, communities, housing, and wages. Their response included a commitment to four thousand homes for women and children escaping family and domestic violence and older women at risk of homelessness.

Domestic

HIV

The Australian Government will continue its BBV and STI Strategic Research Program to develop evidence-based policy for BBVs and STIs, including HIV, hepatitis B, hepatitis C, chlamydia, syphilis, and gonorrhoea. The Government notes it has supported and funded BBV and STI research for over 20 years, and continued research will help decrease prevalence among priority populations.

The Government also announced that it is <u>removing the requirement</u> for a patient to have a pre-existing relationship with a medical practitioner before accessing Telehealth for particular consultations. These include HIV, hepatitis B, hepatitis C alongside prescribing other specialised drugs, sexual and reproductive health, drug and alcohol consultations and pregnancy consultations. AFAO welcomes this announcement.

Inequalities between those who can and cannot access HIV treatment and prevention medicine through Medicare is well-documented in Australia. While AFAO is disappointed that this was not addressed in the Budget, we have received assurance from the Department of Health that progress in this area is continuing.

Mental Health

The Australian Government has committed to establishing several new adult and child mental health centres with a focus on providing care to LGBTIQ communities alongside other vulnerable groups based on identified areas of need. The number of centres is not specified in the Budget.

On mental health more broadly, the Australian Government will invest \$2.3 billion to deliver structural reform to the National Mental Health and Suicide Prevention Plan. This includes \$1.4 billion in high quality and person-centred treatment, especially the development of a national network including 57 additional mental health treatment centres and satellites for adults, youth, and children through Head to Health and headspace programs.

The Federal Budget brings total annual investment in mental health from \$5.9 billion in 2020-21 to \$6.3 billion in 2021-22.

<u>LGBTIQ+ Health Australia</u> has welcomed investments touching the lives of LGBTIQ+ Australians and noted the specific investment in digital health and extending the National Suicide Prevention Trial in 12 Australian regions with a higher prevalence of suicide. Two of these sites are focused on LGBTIQ communities.

AFAO also welcomes the Government's contribution to mental health and suicide prevention. We are concerned the Budget missed a critical opportunity to address the poorer mental health outcomes of LGBTIQ people and support LGBTIQ-led efforts to tackle health disparities.

COVID-19

Essential spending continues the Australian COVID-19 response with commitments to vaccine distribution, service continuation, onshore manufacture of mRNA vaccines, quarantine expansion and more. This includes continuing the remote response to COVID-19 to support regional and remote Indigenous communities and extending the Beyond Blue COVID-19 Mental Wellbeing Support Service.

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Preventive Health

\$1.9 million will be invested for improving preventive health systems under the *National Preventive Health Strategy*, including an evidence-based Prioritisation Framework, a national health literacy strategy and an implementation plan. AFAO has been critical of the Strategy, which remains in draft form, and its omission of BBVs and STIs and lack of meaningful attention to LGBTIQ communities.

Aboriginal and Torres Strait Islander Health

The Australian Government is investing \$781.1 million in Aboriginal and Torres Strait Islander health and ageing programs. This contributes to the priority reforms and health targets laid out in the new *National Agreement on Closing the Gap*. The Closing the Gap program includes investment in Aboriginal community-controlled service delivery and seeks to transform mainstream services to better the needs of Aboriginal and Torres Strait Islander people. There is a slight increase in this year's funding, which the Australian Healthcare and Hospitals Association described as disappointing regarding the significant disparities in health outcomes.

\$630.2 million is being used to improve the experience of Aboriginal and Torres Strait Islander people as part of reforms to aged care quality in Australia. This will assist Aboriginal Community Controlled Health Services to expand into aged care.

\$79 million will be used to implement initiatives under the *National Aboriginal and Torres Strait Islander Suicide*Prevention Strategy. The Government notes that Aboriginal and Torres Strait Islander people as a priority population will also benefit from continued research into BBV and STIs.

Aged Care Quality

In response to the Royal Commission into Aged Care Safety and Quality, the Government will invest \$17.7 billion in additional funding provide access to high quality and safe care services. The Royal Commission found that the aged care system struggles to provide appropriate care to people with diverse needs.

The Government highlights in the Budget papers that "more than one in ten people have diverse sexual orientation, gender identity or intersex characteristics" and will benefit from the measures announced. <u>LGBTIQ+ Health Australia</u> has signalled it looks forward to continuing its work with aged care providers, contributing to the development of the new *Aged Care Act*, and ensuring older LGBTIQ people benefit from better data collection by the Australian Bureau of Statistics.

Medicare Benefits Scheme (including Access to Health) and Pharmaceutical Benefits Scheme

The Government will invest \$125.7 billion over four years in Medicare, increasing \$6 billion since last year's Budget. This includes extending primary care measures in response to the COVID-19 pandemic, including Telehealth, to 31 December 2021, and implementing reforms to the Medicare Benefits Scheme (MBS) from the recommendations of the Medicare Review Taskforce and the Medical Services Advisory Committee.

Changes will also be made to exempt patients from needing a pre-existing relationship with a practitioner to access Telehealth for several consultations, including drug and alcohol counselling and sexual and reproductive health consultations.

The Government will invest \$43 billion over four years in the Pharmaceutical Benefits Scheme (PBS) for subsidised medication.

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There are well-publicised enhancements to women's health programs within the Budget, including \$100.4 million for improvements to cervical and breast cancer screening programs with a particular focus on under-screened populations.

\$65.8 million will also be invested to improve bulk-billing rates in rural, regional, and remote communities.

Research

The Government will invest \$6.7 billion in medical research over the next four years. This includes \$2.6 billion for the Medical Research Future Fund and \$3.6 billion for the National Health and Medical Research Council.

\$4.8 million has been allocated to continue the Government's investment in strategic BBV and STI research.

A new grant opportunity has been funded for tailored vaccination schedules for immunocompromised patients. Investments for antimicrobial resistance and artificial intelligence as early warning systems for emerging epidemics have been announced.

\$2.1 million will be invested to evaluate the effect of financial incentives to improve treatment uptake among people with hepatitis C. \$4.9 million will be invested for a Phase III trial of the drug mirtazapine as a pharmacotherapy for methamphetamine dependence.

Alcohol, tobacco, and other drugs

The Budget includes \$74.1 million for alcohol, tobacco and other drug programs, including \$16.8 million to maintain funding for drug and alcohol treatment services, including residential services.

International

The Department of Foreign Affairs and Trade's Official Development Assistance budget has reduced to \$4.335 billion, down from \$4.479 billion the previous year.

The forward estimates for aid are expected to fall each year over the next four years,

Funding for global health programs has increased from \$91.2 million to \$113.5 million, primarily for Gavi, the Vaccine Alliance, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. The Global Health Alliance Australia notes these are ongoing annual payments from previous replenishments and not indicative of additional commitments.

The <u>Australian Council for International Development has expressed concern</u> that Australia's development assistance is declining against the backdrop of Asia and the Pacific being the epicentre of the COVID-19 pandemic. Expenditure for global health is not detailed in the Department of Health Budget papers.

There were no new investments announced to support the global effort to end COVID-19 except for a two-year \$37.1 million package for India.

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