Federal Budget 2022-23 – AFAO Analysis



7 April 2022

This briefing paper outlines the measures relevant to HIV, LGBTIQ health and other HIV-affected communities in Australia, Asia and the Pacific announced in the Australian Government's 2022-23 Budget (the Budget) on Tuesday, 29 March. The briefing draws on papers from the Treasury, the Department of Health and the Department of Foreign Affairs and Trade (DFAT) and analyses from non-governmental health, welfare, and development peak organisations.

Our Pre-Budget Submission emphasised the investment needed to implement <u>Agenda 2025</u>, a costed plan to support the Government to implement measures to end HIV transmission in the next parliamentary term. We also provided advice on a new program to support AFAO's state and territory members to scale up their primary health services through Medicare Benefits Schedule (MBS) billing. These members are the AIDS Councils, now known by various names, which are leading providers of health and other services to LGBTIQ people and other communities. AFAO's international asks were informed by work with the Australian Global Health Alliance and Pacific Friends of Global Health.

Key Points

- The Government will invest \$8.6 million in 2022-23 to ensure the continuation of programs that implement the National BBV and STI Strategies. Of this, \$5 million will support the implementation of the *National Aboriginal* and Torres Strait Islander BBV and STI Strategy. The remaining funds will support the implementation of the national HIV, STI, hepatitis B and hepatitis C strategies.
- Long-acting Cabotegravir and Rilpivirine as HIV treatment have been approved for listing on the Pharmaceutical Benefits Scheme (PBS).
- Telehealth becomes a permanent fixture of Australia's primary healthcare system.
- The DFAT Official Development Assistance Budget has increased from an estimated \$4.456 billion in 2021-22 to \$4.549 billion in 2022-23.

Summary

AFAO welcomes continued investment in HIV. We will continue seeking commitments from the Coalition, Labor (ALP), and the Greens before the federal election to secure the investment needed to implement *Agenda 2025*.

Domestic

HIV

The Government will invest \$8.6 million in 2022-23 so key organisations can continue programs that implement the national HIV, BBV and STI strategies. This figure includes \$5 million to implement the fifth <u>National Aboriginal and Torres Strait Islander BBV and STI Strategy</u>. The \$8.6 million will allow programs that are due to end this financial year to continue for a further 12 months. AFAO will work closely with the major parties to secure investment to implement the national HIV, BBV and STI strategies commencing in 2023-24. Hepatitis Australia has welcomed the one-year \$8.6 million investment while also calling for <u>more long-term investment strategies</u> in place of one-year commitments.

The Government announced \$2.4 billion for new listings on the PBS. This includes funding for Cabotegravir and Rilpivirine as a long-acting HIV treatment. \$525.3 million will be spent to lower the PBS safety threshold by 25% in the new financial year — meaning people can access free or subsidised medicine after 36 scripts for concession cardholders and 34 scripts for non-concession cardholders.

Lowering the PBS safety threshold was also welcomed by the Consumers Health Forum (CHF) – a long-term initiative they have supported to improve the health outcomes for those with chronic illness or who rely on multiple prescriptions. The Australian Council of Social Service (ACOSS) – while welcoming the reduction in the safety net threshold for the PBS – reports the Budget lacks measures needed to combat poverty, inequality, and climate change. The Government will also spend \$468.3 million over five years towards improving the standard of aged care. This includes \$22.1 million over three years to trial new models of outreach care.

The Government will invest \$8.5 million to extend culturally appropriate programs across 16 Northern Territory communities. The <u>Red Dust</u> program is focused on social and emotional wellbeing, sexual health, relationships, alcohol and other drugs, and Foetal Spectrum Disorder.

These investments are in addition to the Minister for Health's announcement at the World AIDS Day 2021 Parliamentary Breakfast on providing access to HIV treatment for people ineligible for Medicare. Access to HIV treatment is referenced in the Health Department Budget Statement on page 59 here. \$37.4 million has been allocated over three years to support the delivery of HIV-related treatment and care. Each state and territory will be retrospectively funded at the end of the financial year for the scheme. The Government has drafted a schedule under the Federation Funding Agreement (FFA) for negotiations with state and territory health departments ahead of the scheme's commencement on 1 July 2022.

NACCHO has <u>called for more action</u> to close the \$4.4 billion funding gap in Aboriginal health through structural reform and substantial funding investment. NACCHO clinics service more than 410,000 clients per year.

LGBTIQ health

The <u>Budget Stakeholder pack</u> does not refer to LGBTIQ health outside the \$333 million investment in the health of women and girls. Within this figure, \$48.7 million will be provided to support victims and survivors of family, domestic and sexual violence, and child sex abuse to navigate the health system. \$4.1 million will be invested to allow nurses and other providers to deliver cervical screening by funding laboratories to process tests. The Budget includes a \$104.4 million investment in <u>Our Watch</u> — an organisation that works to prevent violence against women and their children. The investment will enable Our Watch to reach LGBTIQ communities, the disability community, and people from culturally and linguistically diverse (CALD) backgrounds. LGBTIQ+ Health Australia also welcomes a six-month extension of emergency COVID funding for digital mental services, such as their QLife service.

In his briefing, Minister Hunt referred to the <u>Primary Health Care 10 Year Plan 2022-2032</u> (Primary Health Care Plan). The Primary Health Care Plan was released the week before the Budget and includes LGBTIQ people as a priority population. The Primary Health Care Plan includes commitments to 'Centres of Excellence' in primary health care for populations at risk of poorer health outcomes – including LGBTIQ people, Aboriginal and Torres Strait Islander people and people from CALD backgrounds. The Primary Health Care Plan will also establish CALD and LGBTIQ advisory groups for the Department of Health and ensure Primary Health Networks (PHNs) have mechanisms for engaging with populations at heightened risk of poorer health outcomes. Over the next four years, a total of \$1.7 billion will be spent on reaching the objectives of the Primary Health Care Plan.

The Health portfolio investment will embed telehealth as a permanent fixture of Australia's health care system. Telehealth has contributed to improved health care for some LGBTIQ and HIV-affected communities, particularly in rural and metropolitan areas where access to health is limited. Telehealth is a reform within the Primary Health Care Plan – and AFAO anticipates it will continue to facilitate better access to quality and specialist health care for those with specific needs or those living in regional and remote settings. Also, \$296.5 million will deliver improvements in regional, rural and remote health as part of the *10-Year Stronger Rural Health Strategy*.

The Government will spend \$30.1 million under the <u>National Preventive Health Strategy 2021-2030</u>. The Public Health Association of Australia (PHAA) has <u>expressed disappointment in the Budget</u> – criticising the Government's focus on treatment, medication, and tertiary health instead of preventable disease. PHAA advocates for 5% of Commonwealth, state, and territory health expenditure towards preventive health measures. Despite this, they report that the Budget shows no indication of responding to that call.

Other investments include \$343.6 million to extend projects under the <u>National Ice Action Strategy</u> alongside the delivery of drug and alcohol treatment services, \$15 million in 2022-23 to encourage Australians to stay up to date with their health checks as COVID-19 restrictions ease, and \$10.6 million over two years to drive health communication campaigns aimed at early intervention for chronic disease among culturally and linguistically diverse communities. AIVL welcomes the \$19.6 million expansion of the <u>National Take Home Naloxone Program</u> to reduce opioid-related overdose deaths. However, they highlight that <u>Australia continues to fall behind other countries</u> in implementing harm reduction interventions despite evidence of its significant economic benefit to the health care system.

The five pillars of the <u>National Mental Health and Suicide Prevention Plan</u> will receive a total of \$547 million. \$44.9 million <u>will be spent over four years to support vulnerable groups</u>, including LGBTIQ and Aboriginal and Torres Strait Islander people, based on identified areas of need.

International

DFAT's Australian aid budget has increased from an estimated \$4.335 billion in 2021-22 to \$4.549 billion in 2022-23.

The Australian Council for International Development (ACFID) welcomes new Pacific assistance to battle the COVID-19 downturn – noting that the development reversals created by COVID-19 will last over a decade. They also welcome \$324.4 million to provide economic and social support to aid COVID-19 recovery in the Pacific and Timor-Leste. The Treasury papers specify that it will include essential services, including COVID-19 testing, vaccine delivery, and food insecurity. There is also an increase in investment in Global Health Programs. \$190.5 million will be spent in allocations to the Global Fund, Gavi, COVAX and CEPI. DFAT recently advised the Australian Global Health Alliance that the distribution of funds is yet to be determined. Their media release calling for more to address global health challenges can be read here.

The Government also announced a new \$300 million package over five years to support gender equality in South East Asia through <u>Women Together</u> – a flagship program to promote women's leadership and increase the effectiveness of efforts to combat gender inequality in the region.