

ECR-2025-3080

Expand the Better Access Scheme									
Party:	Australian Greens								

#### Summary of proposal:

The proposal would expand the Better Access Scheme so that it also includes subsidised access to accredited registered counsellors and registered mental health nurses.

The proposal would be ongoing and start on 1 July 2025.

Additional specifications (based on further advice provided):

- Rebates for accredited counsellors and mental health nurses would be set at the level of mental health occupational therapists and mental health social workers.
- Counsellors must be registered on the Australian Register of Counsellors and Psychotherapists
  (ARCAP) as either Division A or Division B Level 3 or 4 to be considered eligible for the Better
  Access scheme.
- Mental health nurses must be registered through the Nursing and Midwifery Board as a mental health nurse to be considered eligible for the Better Access Scheme.

#### Costing overview

The proposal would be expected to decrease the fiscal balance by around \$507 million and the underlying cash balance by around \$503 million over the 2025-26 Budget forward estimates period (see Table 1). This impact reflects an increase in administered and departmental expenses associated with increased claims for Medicare Benefits Schedule (MBS) items. The underlying cash balance impacts differ slightly from the fiscal balance impacts due to time lags between when services are delivered and when subsidies are paid to health care providers.

The proposal would be expected to have an impact beyond the 2025-26 Budget forward estimates period. A breakdown of the financial implications (including separate public debt interest (PDI) tables) over the period to 2035-36 is provided at Attachment A.

Table 1: Expand the Better Access Scheme - Financial implications (\$m)<sup>(a)(b)</sup>

	2025-26	2026-27	2027-28	2028-29	Total to 2028-29
Fiscal balance	-114.4	-120.5	-130.6	-141.7	-507.2
Underlying cash balance	-110.4	-120.5	-130.6	-141.7	-503.2

<sup>(</sup>a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

<sup>(</sup>b) PDI impacts are not included in the totals.

#### **Uncertainties**

The financial implications of the proposal are highly uncertain and sensitive to a range of assumptions, including projections of service volumes of the affected MBS items over the costing period, and the supply and demand of the Better Access treatment services.

There are further inherent uncertainties around the magnitude of behavioural responses, including:

- Demand for services.
  - Potentially, a larger number of people with more mild mental health presentations would be referred for clinical mental health treatment through Medicare rather than other forms of treatment and support that may be more appropriate for their needs, for example digital services.
- Supply of services by counsellors and mental health nurses.
  - The willingness of counsellors and mental health nurses to shift their delivery of mental health services from other key settings, such as schools, Employee Assistance Programs, specialised state-funded mental health services, crisis support and suicide prevention, to MBS services under this proposal.
  - The number of eligible practitioners, including any changes to the accreditation requirements or number of people entering the profession under the proposal.
- Potential budget offsets due to services that are currently being delivered by eligible professions under Better Access shifting to the newly eligible professions under the proposal, which would depend on the supply and demand dynamics of the relevant mental health services.

## Key assumptions

The Parliamentary Budget Office (PBO) has made the following assumptions in costing this proposal.

- All patients would receive individual care in a consulting room.
  - This is opposed to a patient receiving group care which has a lower benefit or care provided in a
    place other than a consulting room which has a higher benefit.
- Benefit rates for relevant MBS items would grow in line with Wage Cost Index 5 (WCI5), consistent with current indexation arrangements.
- Around 40% of the eligible counsellors and mental health nurses would opt-in to provide the
  relevant MBS services under the proposal, consistent with the historical proportion of
  psychologists who deliver MBS-subsidised individual treatment services under Better Access.
- Professions affected by the proposal would each provide 186 services a year on average, consistent with historical service volumes delivered by social workers.
- The number of newly eligible service providers would grow by around 6% per year, in line with the historical growth patterns observed for psychologists who delivered an MBS-subsidised individual treatment service.
- Budget offsets associated with Better Access due to service delivery shifting from currently eligible professions to the newly eligible professions would be immaterial.
  - This is informed by advice from the Department of Health and Aged Care regarding the current demand-supply dynamic related to mental health services in Australia.

 It is anticipated that the eligible professions would continue to deliver the same service volumes due to the current high demand for mental health services.

# Methodology

The service volumes expected to be delivered by the newly eligible professions were estimated based on historical data as per *Key assumptions*. Service volumes were then multiplied by the relevant rebates to give the administered expenses.

Departmental costs were estimated by multiplying the number of new services to be delivered by the average unit price for MBS administration provided by Services Australia.

The MBS liability factor was then applied to the administered expenses to determine the difference between the fiscal and underlying cash balances.

Financial implications were rounded consistent with the PBO's rounding rules.<sup>1</sup>

### Data sources

Commonwealth of Australia (2025) *Pre-election Economic and Fiscal Outlook 2025,* Commonwealth of Australia.

The Department of Health and Aged Care provided historical service volumes data and benefits paid for the period 2018-19 to 2022-23 for all Better Access MBS items.

The Department of Health and Aged Care provided the MBS liability factor as at 2025-26 Budget.

<sup>&</sup>lt;sup>1</sup> https://www.pbo.gov.au/for-parliamentarians/how-we-analyse/pbo-rounding-rules

## Attachment A – Expand the Better Access Scheme – Financial implications

Table A1: Expand the Better Access Scheme – Fiscal balance (\$m)(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
Expanded services	-113.0	-119.0	-129.0	-140.0	-152.0	-165.0	-180.0	-195.0	-212.0	-230.0	-250.0	-501.0	-1,885.0
Departmental													
Administration costs	-1.4	-1.5	-1.6	-1.7	-1.9	-2.0	-2.2	-2.3	-2.5	-2.7	-2.9	-6.2	-22.7
Total – expenses	-114.4	-120.5	-130.6	-141.7	-153.9	-167.0	-182.2	-197.3	-214.5	-232.7	-252.9	-507.2	-1,907.7
Total (excluding PDI)	-114.4	-120.5	-130.6	-141.7	-153.9	-167.0	-182.2	-197.3	-214.5	-232.7	-252.9	-507.2	-1,907.7

<sup>(</sup>a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms.

Table A2: Expand the Better Access Scheme – Underlying cash balance (\$m)(a)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Expenses													
Administered													
Expanded services	-109.0	-119.0	-129.0	-140.0	-152.0	-165.0	-179.0	-194.0	-211.0	-230.0	-249.0	-497.0	-1,877.0
Departmental													
Administration costs	-1.4	-1.5	-1.6	-1.7	-1.9	-2.0	-2.2	-2.3	-2.5	-2.7	-2.9	-6.2	-22.7
Total – expenses	-110.4	-120.5	-130.6	-141.7	-153.9	-167.0	-181.2	-196.3	-213.5	-232.7	-251.9	-503.2	-1,899.7
Total (excluding PDI)	-110.4	-120.5	-130.6	-141.7	-153.9	-167.0	-181.2	-196.3	-213.5	-232.7	-251.9	-503.2	-1,899.7

<sup>(</sup>a) A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

Table A3: Expand the Better Access Scheme – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)(a)(b)

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	Total to 2028-29	Total to 2035-36
Fiscal balance	-2.4	-7.6	-13.5	-20.1	-27.6	-35.9	-45.4	-55.9	-67.7	-80.9	-95.8	-43.6	-452.8
Underlying cash balance	-1.8	-6.4	-12.1	-18.5	-25.7	-33.9	-43.0	-53.3	-64.8	-77.7	-92.1	-38.8	-429.3

<sup>(</sup>a) As this table is presented as a memorandum item, these figures are not reflected in the totals above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary<sup>2</sup>.

<sup>(</sup>b) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

<sup>&</sup>lt;sup>2</sup> Online budget glossary – Parliamentary Budget Office (pbo.gov.au)