Pre-budget submission 2026-27

Royal Australian College of General Practitioners

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RACGP

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Executive summary

Every year more than 22 million Australians see a specialist general practitioner (GP) for their essential healthcare – making GPs the most accessed health professional in the country. The RACGP's General Practice: Health of the Nation Report showed 99% of people could see a GP when they needed and 80% of patients have a preferred GP.

The Patient Reported Indicator Survey (PaRIS) report found longer GP–patient relationships were correlated with higher levels of trust in their doctor and higher ratings of care.[1] There is no substitute for the quality care you get from a GP who knows you and your history.

A GP-patient relationship built on trust, partnership and respect enables coordinated, continuous and comprehensive patient-centred care. Investment in high-quality general practice is cost effective. It reduces emergency department (ED) presentations, hospital admissions and improves long term health outcomes.[2]

The Federal Government's ongoing investment in general practice is welcome. The Royal Australian College of General Practitioners (RACGP) supports the commitment to improving funding for patients accessing care through general practice. In 2024-25, 7.7% of people delayed seeing a GP due to cost, an improvement on the 8.8% reported in 2023-24.[3] This result is encouraging and indicates the Government's investment is removing barriers to care.

The RACGP pre-budget submission has been designed to support government to continue to build and leverage the work that is already underway to secure further improvement for patients and their families. High-quality primary care is best delivered by a patient's regular GP, supported by a multidisciplinary team working together to improve patient outcomes.

It is important people are supported to see their regular GP to stay healthy and active, rather than just presenting when they are sick. Improvements in overall population health and wellbeing will boost economic productivity and workforce participation.

The RACGP pre-budget submission 2026-27 has been developed in line with government priorities, including the Strengthening Medicare Taskforce Report and the Productivity Commission's Delivering quality care more efficiently (interim report), and seeks to improve affordability and access to high-quality general practice across four key priorities:

Making general practice more affordable:

- **Priority 1 – Affordable general practice care for all Australians**

Making general practice more accessible:

- **Priority 2 – Building the general practice workforce**
- **Priority 3 – Equitable health outcomes through research-informed healthcare**
- **Priority 4 – Preventing the health impacts of racism and racism in the healthcare system**

Part A of the submission provides detail on each initiative, including the economic benefits and alignment to government strategy.

Part B of this submission contains a high-level summary of the RACGP's recommended initiatives.

Should you wish to discuss further detail on any initiative, please contact RACGP Chief Advocacy Officer, Shayne Sutton on 0410 508 541 or Shayne.sutton@racgp.org.au.

Part A: Budget initiatives in detail

Making general practice more affordable

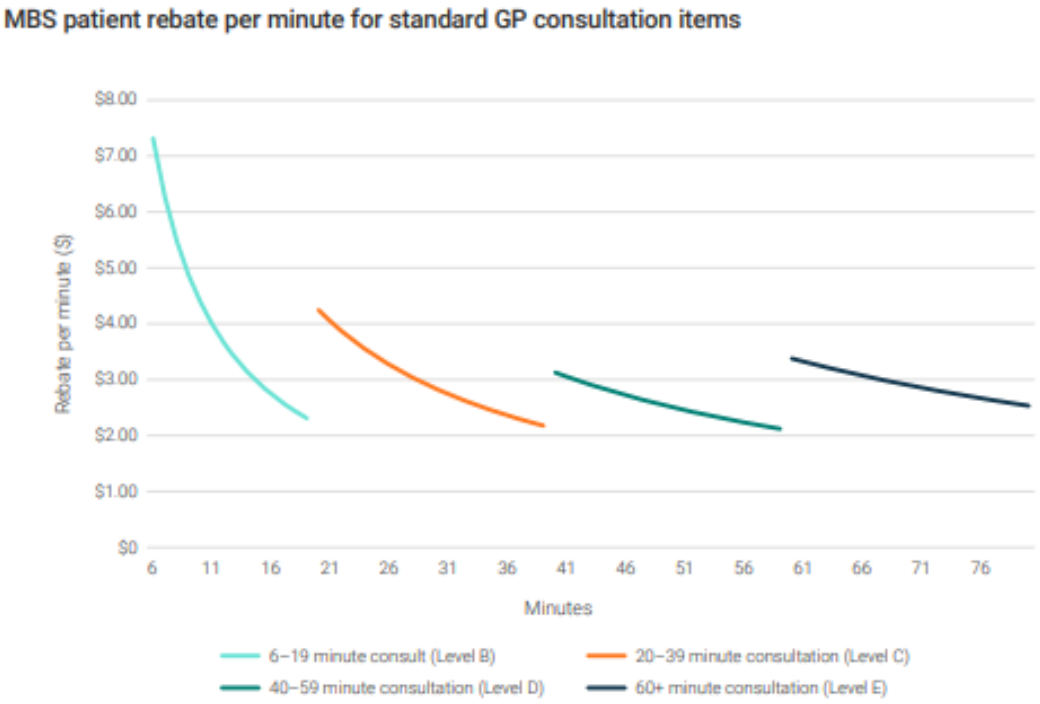
Priority 1 – Affordable general practice care for all Australians

1.1 Budget initiative: Make longer consultations more affordable

Purpose: To ensure people who need more time with their GP can access affordable care.

More than two thirds (68%) of specialist GPs nominate increasing complexity of patient presentations as the greatest challenge facing the profession.[4] To manage this increasing complexity, GPs spend an average of 19.7 minutes with each patient.[4] Medicare rebates must reflect contemporary clinical practice and support the 61% of Australians living with at least one chronic health condition[5].

Longer consultations are needed to manage chronic diseases and complex health concerns. However, patient rebates are lower per minute for longer consultations, leading to higher out of pocket costs and financially disadvantaging people who require more time with their GP. Many patients seeking bulk billed care can only access shorter consultations, exacerbating access challenges for those most in need. Patients may need to attend multiple consultations to receive care for multiple health issues, rather than attending one consultation for comprehensive care which addresses all issues holistically.



Psychological issues remain the most commonly reported reason for people to see a GP.[4] Following the removal of some Medicare Benefits Schedule (MBS) mental health items, GPs have been advised to use time-tiered general attendance items for mental health consultations.[6] These presentations are often complex and patients require appropriate time with their GP. Reliance on long consultations to effectively manage mental health presentations makes increased funding for long consultations even more pertinent.

While research shows the benefits associated with incentives for patients bulk billed by their GP, it also highlights the inequity for those who are not bulk billed and continue to pay gap fees.[7] In 2024, Deloitte Access Economics determined that a 40% increase to patient rebates for Level C and D consultations would lift the bulk billing rate to 85% and halve

out-of-pocket costs for those who are not bulk billed.[1] This investment would make a meaningful difference to those unable to access bulk billed consultations who are struggling to afford gap fees.

Out-of-pocket costs disproportionately impact people with chronic health conditions, particularly those on low incomes or unable to work due to poor health.[7] These patients are forced to make difficult decisions about their care on a regular basis and if they cannot afford high-quality general practice care, they are more likely to present to emergency or be admitted to hospital.

Who will this benefit?

- The three in five people with at least one chronic health condition and/or people with complex health concerns, including Aboriginal and Torres Strait Islander people, the elderly and other vulnerable populations who need longer consultations with their specialist GP.
- The one in five people in need of mental health support which requires a GP's time and expertise.[8]
- Women who require support from their GP to identify and manage women's health concerns, sexual and reproductive healthcare information, diagnosis, treatment and services
- Rural and remote communities, which are significantly more likely to report barriers to accessing GPs compared with other Australians.
- Female GPs who do the bulk of longer consultations, resulting in a gender pay gap.
- International medical graduates (IMGs) who frequently service rural populations in need of improved access to high-quality general practice care.

Economic benefits

- $338.9 million in savings annually ($338.9 million in 2026-27, increasing to $364.8 million by 2029-30) to the healthcare system through lower costs and improved access to primary care, avoided hospital admissions and emergency department (ED) presentations, more cost effective care and improved long-term health outcomes.

These estimates assume that all additional GP consultations demanded can be met by current supply and workforce initiatives that are underway.

Investment

	Estimated investment required ($m)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
40% increase to all Medicare rebates for Level C and Level D GP consultations	$764.0m – $1,113.0m*	$794.6m – $1,157.5m*	$826.4m – $1,203.8m*	$859.5m – $1,251.9m*	$3,244.5m - $4,726.2m*

*Range provided as cost is dependent on the level of induced demand

Note: Significant changes to general practice funding were introduced on 1 November 2025. These include the expanded bulk billing incentive (BBI), introduction of the Bulk Billing Practice Incentive Program (BBPIP) and MBS changes under the Better Access initiative, including the removal of some mental health items. Each of these measures may impact the estimated investment provided above by changing the usage of Level C and D consultations in general practice.

Alignment with government strategy

- Measuring What Matters
  - Equitable access to quality health and care services, proportion of people with one or more selected chronic health conditions.
- Strengthening Medicare Taskforce Report

[1] This modelling does not consider recent general practice reforms, including the expanded bulk billing incentive (BBI) and introduction of the Bulk Billing Practice Incentive Program (BBPIP).

- Support general practice in management of complex chronic disease through blended funding models integrated with fee-for-service, with funding for longer consultations and incentives that better promote quality bundles of care for people who need it most.
- Strengthen funding to support more affordable care, ensuring Australians on low incomes can access primary care at no or low cost.

1.2 Budget initiative: Thriving Kids transitional funding

Purpose: To identify developmental concerns in children and provide support with developmental delay and disability.

The first 2000 days of a child's life are critical to their long-term health and social outcomes. For most children, their specialist GP will be their principal healthcare provider during this period. GPs frequently refer families to allied health providers (speech pathology, occupational therapy, psychology, physiotherapy) and collaborate with early childhood education settings. However, fragmented referral pathways and limited support services often impact effectiveness, particularly for children with mild to moderate needs who may require ongoing support.

Support for an annual, proactive and comprehensive Health Assessment during the first 2000 days will allow early screening and intervention, enabling conditions like autism to be identified well before the average age of four. Investment in early assessment will support children's development from the start and ensure children are developing key skills (communication, social interaction, motor skills, emotional regulation) needed to thrive in the classroom. This assessment will also enable identification and monitoring of any nutritional and dental concerns.

Funding for Health Assessments, conducted by a child's regular GP as part of a multidisciplinary team in general practice, will ensure high-quality, patient-centred care is available to all families. Proactive and regular engagement with families will enable the identification of any developmental concerns or differences in the context of a family's needs. Where it is required, access to ongoing support can be provided through the development of a GP Chronic Condition Management Plan (GPCCMP). The number of services funded should be based on clinical need.

All care should be guided by the RACGP Guidelines for preventive activities in general practice (Red Book) and the NACCHO-RACGP National guide to preventive healthcare for Aboriginal and Torres Strait Islander people.[9, 10] Mental health and wellbeing must be included in early childhood health checks, in line with the National Guidelines for including mental health and wellbeing in early childhood health checks.[11]

Who will this benefit?

- The one in five children with a disability or developmental concern who will benefit from early diagnosis and intervention, supporting crucial development.[12]
- Children who will experience improvements in their early life experiences, health and development.
- Families who will be able to provide the support needed to ensure their child thrives.
- GPs and young families who will have the opportunity to build an ongoing relationship.

Economic benefits

- Investment in a child's health during the first 2000 days supports long-term health and social outcomes.
- Children who receive support early are more likely to engage positively in school, reducing the need for more costly additional educational or healthcare interventions in the future.

Investment

	Estimated investment required ($m)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Extend Health Assessment Medicare Benefits Schedule (MBS) items to support an annual developmental check during a child's first 2000 days	$20.0m	$34.1m	$49.0m	$57.3m	$160.4m

Alignment with government strategy

- Measuring What Matters
  - Equitable access to quality health and care services, proportion of children who are developmentally on track in all five domains of the Australian Early Development Census.
- Early Years Strategy 2024-2034
  - Key measure of success: There is equitable access across the country to services to support children with possible developmental delays, including timely Foundational Supports to address concerns early.
  - The strategy aims to: Enable and encourage early access to early childhood supports when required by empowering parents, caregivers and families to detect and act on early developmental delay signals, and by connecting families with the supports they need.

1.3 Budget initiative: Independent and transparent pricing in primary care

Purpose: To increase the transparency and efficiency of general practice funding by enabling evidence-based advice to inform primary care payments.

An independent primary care pricing authority (PCPA) can determine pricing recommendations which are reflective of the true cost of delivering care across diverse patient populations. The indexation of Medicare rebates has not kept pace with inflation and the cost of providing care for more than two decades, this is leading to increased out-of-pocket costs for patients. In 2024-25, 7.7% of people delayed seeing a specialist GP due to cost.[3] Among people with a long-term medical condition, 9.2% delayed seeing a GP due to cost compared to 5.5% without a long-term condition.[3]

Independent, evidence-based advice is required to appropriately set and index general practice funding. Establishing Medicare rebates which cover the true cost of care will support affordable access to high-quality general practice care. Independent pricing advice will help to build trust among GPs by strengthening practice viability. This is also expected to positively impact attraction and retention of the general practice workforce. A well-supported general practice sector can help Australians to stay healthy and active in their communities and workplaces.

It is proposed that initial operations focus on evidence-based pricing recommendations for general practice. Once this core capability is well established, a broader remit could be considered to examine pricing across primary care.

Who will this benefit?

- The 22 million Australians who visit their GP every year and need affordable access to high-quality general practice care.
- The almost one in 10 patients who have delayed care due to unaffordable out-of-pocket costs.
- The primary care sector through positive impact on GP attraction and retention.

Economic benefits

- Investment in general practice reduces hospital costs by reducing ED presentations and hospital admissions from preventable conditions.
- Improved access to high-quality care leads to better preventive care. Improvements in overall health and wellbeing will boost productivity and participation at a population level.

Investment

	Estimated investment required ($m)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Introduce an independent primary care pricing authority	$8-9m	$12-15m	$16-18m	$18-20m	$54-62m
Non-recurrent contingency and establishment package across the first three financial years of operation (capped funding, fully	$4m	$4m	$2m	-	$10m

expended or returned to consolidated revenue by 2029-30)					
	Total of $12-13m	Total of $16-19m	Total of $18-20m	Total of $18-20m	Total of $64-72m

Alignment with government strategy

- Measuring What Matters
  - Equitable access to quality health and care services, proportion of people who at least once delayed or did not see a GP when needed due to cost.
- Strengthening Medicare Taskforce Report
  - Strengthen funding to support more affordable care, ensuring Australians on low incomes can access primary care at no or low cost.
- Unleashing the Potential of our Health Workforce: Scope of Practice Review (Final Report)
  - Recommendation 10.5: Establish an independent, specialised mechanism, or utilise an existing entity (such as Independent Hospital and Aged Care Pricing Authority) to advise on the pricing and payment levels of the blended payment).
- Review of General Practice Incentives (Expert Advisory Panel Report)
  - Recommendation 3: While maintaining the principle that general practices can charge fees for medical services that take into account the practice's own costs and economic imperatives, the Australian Government should establish an independent primary care pricing authority to provide advice on the design and pricing of Commonwealth payments to general practices and primary care providers.

1.4 Budget initiative: Affordable iron deficiency treatment in general practice

Purpose: To improve affordable access to iron infusions in general practice and reduce potentially preventable hospitalisations and wait times.

Patients with sufficiently low iron for an ongoing period can develop anaemia and may need to be hospitalised. Iron deficiency anaemia is one of the most common potentially preventable hospitalisations (PPHs), accounting for 57,922 same-day admissions in 2022-23.[13] Iron infusions can be provided in general practice. However, with no specific MBS rebate to subsidise iron infusions in general practice, most general practices privately charge over $200 for this service.

Introducing a new MBS item with a rebate of $200 would allow a specialist GP to spend up to 15 minutes calculating the iron dosage and educating the patient, followed by the administration of the iron infusion for at least 15 minutes by a clinical team member. Supporting the delivery of iron infusions in general practice through a new MBS item could deliver savings to government of as much as $75.7 million per annum. It would also reduce out-of-pocket costs for patients and keep people out of hospital.

Who will this benefit?

- People with low iron levels, commonly women and Aboriginal and Torres Strait Islander communities, who need iron infusions.
- The hospital sector by reducing the almost 60,000 same-day potentially preventable hospitalisations each year.
- Rural and remote communities who would need to travel long distances to receive a hospital-based iron infusion.

Economic benefits

- Cost savings of between $40.0 million and $75.7 million annually ($40.0-$75.7 million in 2026-27, increasing to $43.0-$81.5 million in 2029-30) from avoided hospital admissions and ED presentations.
- Increase productivity by putting the $380 million economic cost of iron deficiencies back into our economy.[14]

Investment

	Estimated investment required ($m pa)

Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Introduce a Medicare patient rebate for iron infusions and related consultations for those experiencing chronic and clinical iron deficiency	$40.8m	$42.4m	$44.1m	$45.8m	$173.1m

Alignment with government strategy

- Strengthening Medicare Taskforce Report
  - Strengthen funding to support more affordable care, ensuring Australians on low incomes can access primary care at no or low cost.
- National Women's Health Strategy 2020-2030
  - Increase awareness and primary prevention of chronic conditions and associated risk factors for women and girls and embed a life course approach in policy and practice.
  - Invest in targeted prevention, timely detection and intervention of chronic conditions affecting women and girls.
- Aboriginal and Torres Strait Islander Health Performance Framework
  - Iron Deficiency Anaemia is a condition listed in the National Healthcare Agreement's selected potentially preventable hospitalisations and therefore rates of iron deficiency anaemia contribute directly to the rates of potentially preventable hospitalisations measured in the Aboriginal and Torres Strait Islander Health Performance Framework.

Making general practice more accessible

Priority 2 – Building the general practice workforce

2.1 Budget initiative: Improved support for GPT1* supervisors

Purpose: To maintain high-quality GP training by addressing the shortage of supervisors.

At present, GP supervisors are only paid for formal, scheduled teaching sessions. Clinical supervision is not supported under the current payment model, meaning significant supervisory contributions may go unpaid. This undervalues supervisor expertise and impacts practice viability, resulting in a shortage of active supervisors in areas of priority workforce need. It is important that there is a strong incentive for experienced specialist GPs to take on and continue in supervisory roles.

Increasing GPT1 (*when general practice placements begin) payments supports a future where GP supervisors are properly recognised and resourced, ensuring sustainable training capacity, consistently high-quality registrar education, retention of experienced supervisors and equitable access to supervision across all communities, including regional and rural Australia.

Who will this benefit?

- Local communities who need access to high-quality general practice care from specialist GPs. Increased training capacity ensures a stronger future GP workforce and more equitable distribution of registrars across Australia.
- GPs in training who will receive high-quality clinical supervision from supervisors who are motivated to invest time and effort in providing training, guidance and feedback to trainees. Strengthened supervision at GPT1 improves training quality, safety and preparedness for independent practice.
- GP supervisors who will be better recognised and supported, helping to reduce burnout. Financial recognition reinforces the value of teaching and mentoring the next generation of GPs.
- GP supervisors who will benefit from better alignment of funding with actual supervisory effort, improving supervisor retention and encouraging more experienced GPs to take on GPT1 registrars.
- General practices who will benefit from targeted GPT1 support, reducing the early-term financial and workflow burden. This will enable more practices, especially in rural and underserved areas, to participate in training.
- IMGs, many of whom practice in rural areas and provide vital healthcare services to their communities.

Economic benefits

- Improved access to GPs by addressing the shortage of supervisors in areas of priority workforce need. This improved access will reduce ED presentations and hospital admissions, resulting in more cost effective care.
- Supports workforce distribution, particularly in rural or underserved areas where supervision roles can be more challenging.
- Strengthens the pipeline of trained health professionals, contributing to a more capable and well-supported general practice workforce.

Investment

	Estimated investment required ($m)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Increase Supervisor payments through the National Consistent Payment (NCP) framework	$8.2m	$11.1m	$10.5m	$10.2m	$40.0m

*The RACGP undertook a further cost benefit analysis of this initiative, after it was submitted to Treasury in December 2025. The forward estimate of this investment has increased by $3.8 million.

Alignment with government strategy

- Measuring What Matters
  - Equitable access to quality health and care services, proportion of people who at least once delayed or did not see a GP when needed due to cost, proportion of people waiting longer than they felt acceptable for an appointment with a GP.
- National Medical Workforce Strategy 2021 – 2031
  - Priority Five: Build a flexible and responsive medical workforce.
- Closing the Gap Priority Reforms
  - Priority Reform Two – Building the Community-Controlled Sector, including Sector Strengthening Plans focusing on health and workforce.

2.2 Budget initiative: Better access to GPs for rural communities

Purpose: To improve care for rural communities who need access to GPs.

Rural Australians receive $8.35 billion less in healthcare funding each year than their urban counterparts, constituting a gap of $1090 per person per year.[15] People living in rural and remote areas have shorter lives, higher levels of disease and injury, and poorer access to healthcare services.[16] Limited access to preventive care leads to higher long-term health costs.[15]

Many rurally located general practices report they are unable to source sufficient numbers of specialist GPs to meet community needs and provide coverage for staff during periods of leave and illness. Together, these factors contribute to a requirement for rural general practices to rely heavily on expensive locum support, with the cost impacting practice viability and contributing to practice closures.

Funding to support the establishment, implementation and operation of a national 'Pathways to Rural' program will increase exposure to rural general practice for urban GPs by facilitating ongoing workforce relief opportunities in underserved rural and remote communities. Flexible funding will support training, accommodation, travel, mentoring and program coordination. Improved support for regularly returning locums will enable rural communities to access coordinated and continuous care, from a consistent general practice team.

Who will this benefit?

- The seven million Australians who live in rural and remote areas and need access to high-quality care in general practice.[17]
- People with chronic or complex health needs that require coordinated and holistic GP care.
- Urban GPs seeking to broaden their skills and experience.
- Rural GPs, including many IMGs, who are better supported to take leave and prevent burn out.
- The hospital sector by avoiding preventable hospitalisations.

Economic benefits

- Adds an extra 600 weeks of workforce to the rural health environment.
- Increases the number of GPs working in regional and rural settings.
- Better retention of existing rural GPs: Reliable workforce relief is essential for attracting and retaining rural GPs.
- Upskilling of urban GPs: Training in rural and remote areas can enhance GPs' learning and development.
- Cost-savings from reduced use of locums: The 'Pathways to Rural' program is projected to save the healthcare system at least $4.4 million per year.
- Improved health outcomes for rural communities through increased access and continuity of care.

Investment

	Estimated investment required ($m pa)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years

'Pathways to Rural' program funding to increase exposure to rural general practice for urban GPs	$2.78m	$2.29m	$2.57m	$2.84m	$10.48m

Alignment with government strategy

- Measuring What Matters
  - Equitable access to quality health and care services, proportion of people who at least once delayed or did not see a GP when needed due to cost, proportion of people waiting longer than they felt acceptable for an appointment with a GP.
- National Medical Workforce Strategy 2021 – 2031
  - Priority Two: Rebalance supply and distribution.
  - Priority Five: Build a flexible and responsive medical workforce.

2.3 Budget initiative: Build general practice-based Multidisciplinary Teams (MDTs), with targeted support for pharmacists

Purpose: To support collaborative, team-based care in general practice with dedicated funding for general practice-based pharmacists.

Patient care is becoming more complex as the population ages and the prevalence of chronic disease increases.[5] Well-resourced MDTs in general practice have the capability to coordinate care and ensure that patient needs are met. More than half of specialist GPs (57%) currently work in MDTs, and there is strong agreement among GPs that MDT care improves patient outcomes.[4] Evidence shows general practice team-based care with higher FTE of GPs contributes to reduced hospital readmission rates and ED presentations.[19]

The inclusion of pharmacists in the team is associated with higher quality and lower cost prescribing.[19] Economic analysis has demonstrated that integrating non-dispensing pharmacists could deliver an estimated $545 million in net savings to the health system over four years, primarily through fewer preventable hospitalisations and a reduction in the use of medications.[20] Funding is a barrier to employing more pharmacists in general practice, with current incentive contributions commonly only stretching far enough to support a practice nurse.[21] Targeting additional Workforce Incentive Program (WIP) funding to general practice-based pharmacists will support the attraction and retention of pharmacists within a general practice-based MDT.

There are four main features of primary care services: first contact access for each need; long-term person-centred (not disease focused) care; comprehensive care for most health needs; and coordinated care when it must be sought elsewhere.[18] **All** these features need to be fulfilled to achieve the best patient outcomes and provide a return on investment for governments and other funders. General practice settings deliver all four features of primary care comprehensively.

Government funding is viewed as the primary enabler to MDTs in general practice.[4] Funding must be flexible, consistent and sustainable to grow general practice MDTs. Almost two-thirds (65%) of GPs want to participate in more MDT care.[4] Specialist GPs are trained to lead multidisciplinary teams. They are able to prioritise health needs, plan and coordinate care and avoid expensive duplication and fragmentation.

General practice MDTs provide a safe and supportive environment for health professionals working to top of scope. Increased funding through the WIP will enable general practices to employ, coordinate and provide oversight to a team of qualified health professionals, including nurses, nurse practitioners, pharmacists and allied health professionals.

Who will this benefit?

- The three in five people with at least one chronic health condition who need multidisciplinary care, including those who take multiple medications.
- GPs and their MDTs working collaboratively to their full scope of practice.
- The state/territory health systems by avoiding medication misadventure and hospitalisations.
- Pharmacists who will have additional opportunities for career progression.

Economic benefits

- Improves workflow efficiencies through appropriate task allocation and improved care coordination.
- Improves care management of patients, leading to reduced ED presentations and hospitalisations.

- Improves patient outcomes by addressing medication-related issues and enhancing chronic disease management.
- Improves long-term patient health, reducing overall reliance on the tertiary healthcare system.

Investment

	Estimated investment required ($m pa)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Double the additional investment in the Workforce Incentive Program (WIP) – Practice Stream to $712 million over four years	$178m	$178m	$178m	$178m	$712m
Target additional WIP funding to general practice-based pharmacists	$17.7m	$28.1m	$39.7m	$41.4m	$126.9m
	Total of $195.7m	Total of $206.1m	Total of $217.7m	Total of $219.4m	Total of $838.9

Alignment with government strategy

- Measuring What Matters
  - Enabling GPs, nurses, and allied health professionals to deliver multidisciplinary team care and work to their full scope of practice.
- Strengthening Medicare Taskforce Report
  - Increase investment in the Workforce Incentive Program to support multidisciplinary teams in general practice, improving responsiveness to local need, increasing accountability and empowering each team member to work to their full of scope of practice.
- National Medicines Policy 2022
  - Equitable, timely, safe and reliable access to medicines and medicines-related services, at a cost that individuals and the community can afford.
  - Quality use of medicines and medicines safety.
- Closing the Gap Priority Reforms
  - Priority Reform Two: Building the Community-Controlled Sector, including Sector Strengthening Plans focusing on health and workforce.

Priority 3 – Equitable health outcomes through research-informed preventive health and healthcare

3.1 Budget initiative: Establish a national practice-based research network (PBRN), enhancing high-quality general practice care

Purpose: To ensure general practice care is high-quality and evidence-based

Funding, infrastructure and capacity for research has been progressively moved away from general practice. The bulk of current health research underway is irrelevant to primary care. While general practice sees over 90% of the Australian population annually, only 18% of primary care activity is informed by research from consistent, high-quality studies.[22] A significant barrier to generating high quality evidence, or evaluating policy effectiveness in general practice, is the lack of a national PBRN.

A national PBRN will build general practice research capacity to address important research questions and increase Australia's capability to undertake general practice clinical trials. Investing in the PBRN is critical to support the re-establishment of a national general practice dataset which will be used to understand general practice activity, inform policy and decision-making, as well as contributing to the evaluation of general practice reforms. Evidence from a pilot

translational research network (TROPHI), which connects RACGP with local universities, PHNs and hospitals, shows that investing in this infrastructure can deliver three times the original investment in additional funding for translational research to benefit the needs of the region.

Who will this benefit?

- Patients who will receive evidence-based, high-quality general practice care.
- General practice as a speciality by building a strong GP academic workforce and research culture, raising the status of the discipline.
- Healthcare funders who can utilise evidence to inform efficient and cost-effective policy and practice.

Economic benefits

- Enhances real-world evidence by ensuring it is relevant and applicable to real patients in general practice.
- Improves patient quality of care and health outcomes by providing healthcare professionals with more precise, evidence-based tools and treatment approaches.
- Improves workflow efficiencies in general practice services, recognising the diverse patient populations and broader context of general practice.

Investment

	Estimated investment required ($m pa)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Establishment of a national practice-based research network (PBRN) via Medical Research Future Fund (or other relevant agency)	$2.4m	$2.4m	$2.4m	$2.4m	$9.6m

Alignment with government strategy

- Strengthening Medicare Taskforce Report
  - Learn from both international and local best practice, and invest in research that evaluates and identifies models of high value primary care excellence.
  - Invest in better health data for research and evaluation of models of care and to support health system planning. This includes ensuring patients can give informed consent and withdraw it, and ensuring sensitive health information is protected from breach or misuse.
- Australian Medical Research and Innovation Strategy 2021-2026
  - Equitable health outcomes through research-informed preventive health and healthcare across the spectrum from primary to tertiary care.

Priority 4 – Prevent the health impacts of racism and racism in the healthcare system

4.1 Budget initiative: Monitor and prevent racism in general practice

Purpose: To establish tools to recognise, monitor, measure and prevent racism in primary care environments and improve access to culturally safe healthcare.

Researchers have calculated that racism costs Australia almost $38 billion a year due to the health impacts.[23] Experiences of racism are common for people from culturally and racially marginalised groups, and especially prevalent among Aboriginal and Torres Strait Islander people, including in healthcare settings. The RACGP's 2025 General Practice: Health of the Nation Report found nearly one third (30%) of specialist GPs have observed racism towards patients in the healthcare system, 18% say they have personally experienced racism from a patient within their practice and 10% have experienced racism from a colleague in their practice.[4]

The link between racism and health is well established.[24-28] In addition, a higher proportion of oversees trained doctors report being very stressed by racism, than doctors trained in Australia (4.3% and 0.74% respectively).[29] There is a need to eliminate racism in general practice and to protect patients and GPs who are from negatively impacted groups.[30]

Culturally safe health environments are essential for Aboriginal and Torres Strait Islander GPs, as well as for patients. At present, there is no objective way to monitor and measure racism in primary care environments. The RACGP is well positioned to lead a collaborative project to develop tools and guidance to prevent the health impacts of racism. This includes processes to follow if a GP or staff member experiences racism from a patient, as well as measuring and fostering anti racist practice in general practice.

This initiative will incorporate continuing professional development activities for GPs, a tool for monitoring and measuring racism in general practice, establishing community of practice, training for use of the tool and a quality improvement activity explaining how to protect patients and staff. It will also support the aims of the National Anti-Racism Framework.[31]

Who will this benefit?

- All patients, who have the right to access healthcare that is free from racism, especially those from culturally and racially marginalised groups.
- All GPs, who have the right to enjoy a career free from racism, especially those from culturally and racially marginalised groups.

Economic benefits

- Increases utilisation of primary care by creating a more inclusive and respectful healthcare environment.
- Improves health outcomes as people can access care which is culturally appropriate and responsive to their needs.

Investment

	Estimated investment required ($m pa)				
Measure	2026-27	2027-28	2028-29	2029-30	Total over 4 years
Develop a tool for monitoring and measuring racism in general practice and primary healthcare, including training for GPs and their teams, and the development of supporting processes and guidance	$500,000	$500,000	$500,000	$500,000	$2.0m

Alignment with government strategy

- National Aboriginal and Torres Strait Islander Health Plan 2021-2031
  - Identify and eliminate racism – Individual and institutional racism across health, disability and aged care systems is identified, measured and addressed under a human rights–based approach.
- Closing the Gap Priority Reforms
  - Priority Reform Three – Transforming Government Organisations
- The National Scheme's Aboriginal and Torres Strait Islander Health and Cultural Safety Strategy 2020-2025
  - A strategy that aims to eliminate racism from the health system.

Part B: Summary of budget initiatives

Making general practice more affordable

Priority area 1 – Affordable general practice care for all Australians		
Budget initiative	**Estimated investment required ($m pa)**	**Benefits**
1.1 40% increase to all Medicare rebates for Level C (20–40 minutes) and Level D (40-minutes plus) GP consultations.	$764.0m – $1,113.0m* (in 2026-27)	• $338.9 million in savings annually to the healthcare system through lower costs and improved access to primary care, including reduced GP costs, improved access to GPs, more cost effective care and improved long-term health outcomes.
1.2 Thriving Kids transitional funding a) Extend Health Assessment Medicare Benefits Schedule (MBS) items to support an annual developmental check during a child's first 2000 days. b) Increase access to allied health services by expanding the annual limit to 10 services, as part of a GP Chronic Condition Management Plan (GPCCMP).	$20.0m (in 2026-27)	• Investment in a child's health during the first 2000 days supports long-term health and social outcomes. • Children who receive support early are more likely to engage positively in school, reducing the need for more costly additional educational or healthcare interventions in the future.
1.3 Introduce an independent primary care pricing authority.	$12-13m (in 2026-27)	• Investment in general practice reduces hospital costs from preventable conditions. • Better preventive care, leading to improvements in overall health and wellbeing which will boost productivity and participation at a population level.
1.4 Introduce a Medicare rebate for iron infusions and related consultations for those experiencing chronic and clinical iron deficiency.	$40.8m (in 2026-27)	• Improved access to iron infusions, cost savings from avoided hospital admissions and positive economic outcomes from reduced iron deficiency.

Making general practice more accessible

Priority area 2 – Building the general practice workforce		
Budget initiative	**Estimated investment required ($m pa)**	**Benefits**

2.1 Increase Supervisor payments through the National Consistent Payment (NCP) framework.	$8.2m (in 2026-27)	• Improved access to GPs by addressing the shortage of supervisors in areas of priority workforce need. • Supports workforce distribution, particularly in rural or underserved areas where supervision roles can be more challenging.
2.2 'Pathways to Rural' program funding to increase exposure to rural general practice for urban GPs.	$2.78m (in 2026-27)	• Cost-savings from reduced use of locums: The 'Pathways to Rural' program is projected to save the healthcare system at least $4.4 million per year. • Upskilling of urban GPs and better retention of existing rural GPs. • Improved health outcomes for rural communities through increased access and utilisation of primary care.
2.3 Build general practice-based Multidisciplinary Teams (MDTs) a) Double the additional investment in the Workforce Incentive Program (WIP) – Practice Stream. b) Target additional WIP funding to general practice-based pharmacists.	$178m $17.7m (in 2026-27)	• Improved workflow efficiencies and care coordination, improved care management leading to reduced hospital demand and improved long-term health outcomes. • Improves patient outcomes by addressing medication-related issues and enhancing chronic disease management.
Priority area 3 – Equitable health outcomes through research-informed healthcare		
Budget initiative	**Estimated investment required ($m pa)**	**Benefits**
3.1 Establishment of a national practice-based research network via Medical Research Future Fund (or other relevant agency).	$2.4m	• Improved patient quality of care and health outcomes by providing healthcare professionals with more precise, evidence-based tools and treatment approaches which are relevant and applicable to real patients in general practice.
Priority area 4 – Preventing the health impacts of racism and racism in the healthcare system		
Budget initiative	**Estimated investment required ($m pa)**	**Benefits**
4.1 Develop a tool for monitoring and measuring racism in general practice and primary healthcare, including training for GPs and their teams, and the development of supporting processes and guidance.	$500,000	• Increased retention of diverse general practice and primary care workforce and increased utilisation of primary care by creating a safe and respectful healthcare environment and improved health outcomes as people can access care which is culturally appropriate and responsive to their needs.

* Range provided as cost is dependent on the level of induced demand

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