Tasmania Pre-Budget Submission

2026-27

RACGP

About the RACGP

The RACGP is the voice of specialist General Practitioners (GPs) in our growing cities and throughout rural and remote Australia. For more than 60 years, we have supported the backbone of Australia's health system by setting the standards for education and practice and advocating for better health and wellbeing for all Australians.

As a national peak body representing over 50,000 members, the RACGP supports GPs across all stages of their careers — from medical students and GPs in training to experienced Fellows. We cultivate a stronger profession by helping GPs continue their professional development throughout their careers, developing resources and guidelines that support world-class healthcare delivery, and advocating for a sustainable and equitable general practice workforce.

In Tasmania, there are there are almost 1,900 Tasmanians working in, or towards, a career as a specialist GP in approximately 200 GP clinics in Tasmania. The RACGP also supports over 100 GPs in training across the state ensuring that high-quality general practice care is accessible across Tasmania now and into the future.

Patient-centred care is at the heart of every Australian general practice, and at the heart of everything we do.

Introduction

Our state's health system is in dire need of innovative support to ensure Tasmanian's can continue to access world class health care. The unique challenges we face as a state are compounded by an ageing population with increasingly complex and chronic health issues, and the associated burden on the state's finances necessitate action.

Reducing the burden on our hospitals requires investment in primary care. A properly resourced and well supported network of GPs is essential to keeping Tasmanian's out of hospital and healthy.

A strong general practice sector is key to addressing the current and future challenges facing patients, funders and providers, and the state. It is also the most cost-effective place to invest in healthcare, with evidence showing that every $1 invested in primary care delivers $1.60 in healthcare system benefits.[1] These benefits include reduced preventable hospitalisations, lower hospital readmission and emergency department presentations, and improved workforce productivity.

The proposals contained herein seek to help protect the long-term financial sustainability of general practice in Tasmania, keep more people healthy and out of hospital, and ensure children and young people can access essential medicines.

[1] NSW Government. Lumos Evaluation: Report 2. Sydney: NSW Government October 22. Sydney (AU). 66p.

Summary of Funding Requests

The policy initiatives outlined below will improve the health of Tasmanians and reduce pressure on our hospital system.

Initiative	Rationale	Cost
1. **Remove payroll tax obligations for GP registrars**	Where a Tasmanian GP practice employs registrars and the practice/group is over the payroll-tax threshold, the registrar's full wage package is included in the payroll-tax base. This is a disincentive to taking on registrars and its removal will help increase the level of GPs that can be trained in the state	Public data on payroll tax collected from General Practice is not available. Costs to the state will be offset by an increased workforce, improved health outcomes, and diversion from tertiary healthcare
2. **Support General Practices to train registrars via infrastructure support grants**	General practice training requires appropriate clinical, physical and digital infrastructure. In regional and rural Tasmania, many practices face structural limitations that directly affect their ability to take registrars. Supporting Practices with infrastructure grants will dramatically improve the level of registrars that can be trained and serve the community	$800,000 per annum to fund 4 grants These costs can be offset by reallocating funds from the TassieDoc program
3. **Expand Tasmania's RSV vaccine program to include people aged 75 and above**	Tasmania's infant RSV vaccine program is an important step to ensuring community protection from serious infection. The program should be expanded to cover everyone aged 75 and above, as recommended by ATAGI	$40m per annum
4. **Redirect Pharmacy Scope-of-Practice Expansion Pilot Funding to Embedding Pharmacists in RACFs**	Redirecting the $5 million allocated to the pharmacy scope-of-practice expansion pilot toward embedding pharmacists in RACFs will deliver safer, more integrated, and more cost-effective care for Tasmania's most vulnerable residents	Reprioritisation
5. **Support the widespread embedding of GPs with Specific Interests into Tasmania's public outpatient clinics**	GPs with Specific Interests have previously been extremely effective at reducing wait times for Tasmanians to access care. Additional support is needed within the Department of Health's budget to ensure the regulatory and governance frameworks can support this innovative approach into the long term	Reprioritisation

Remove payroll tax obligations for GP registrars

Budget initiative

Proposed Budget Measures	Estimated investment required
Ensure GP registrars and the clinics that are supervising their training are not subject to payroll tax	Public data on payroll tax collected from General Practice is not available. Costs to the state will be offset by an increased workforce, improved health outcomes, and diversion from tertiary healthcare

Issue

Tasmania faces a shortage of GPs like all other Australian states and territories, however we are unique in that we have an oversupply of trainee GPs. There remain significant challenges in embedding them in practices to complete their training.

Currently, where a Tasmanian GP practice employs registrars (NTCER-style employees), and the practice/group is over the payroll-tax threshold, the registrar's full wage package is included in the payroll-tax base. There is currently no specific Tasmanian payroll tax exemption for GP registrars (it is not a protected activity).

Employers (or employer groups) whose Australian-wide taxable wages exceed $1.25 million per year must register and pay payroll tax on their Tasmanian wages. Salaries, allowances, bonuses, most leave payments, and employer superannuation contributions all form part of taxable wages.

This acts as a significant disincentive to practices taking on registrars and supporting their training. Given that this increased cost is also compounded by statistically lower billings from registrars and the additional time and resources required to support their training, many practices simply cannot afford to support the future of General Practice.

Solution

As a matter of priority, the Tasmanian Government should ensure that GP Training in Tasmania should be exempt from payroll tax as a protected activity.

Impact

- Improves the financial viability of practices in Tasmania
- Alleviates workforce pressures in the health system
- Ensures the future of General Practitioners in Tasmania

Cost

Data regarding the collection of payroll tax from general practice is not currently made public. The State Revenue Office (SRO) and Department of Treasury and Finance (DTF) will need to advise on impact to the state budget.

However, the cost of this reform would be significantly offset by the significant savings from reducing costs to state hospitals and emergency departments.

Support General Practices to train registrars via infrastructure support grants

Budget initiative

Proposed Budget Measures	Estimated investment required
Support practices to cover the infrastructure costs associated with training registrars via targeted one-off support grants	$800,000 per annum to fund 4 grants These costs could be offset by reallocating funds from the TassieDoc program

Issue

General practice training requires appropriate clinical, physical and digital infrastructure. In regional and rural Tasmania, many practices face structural limitations that directly affect their ability to take registrars.

This is the one of the biggest barriers for rural practices as many rural practices are small footprint clinics with only 1–3 consulting rooms. As part of their training, registrars must have guaranteed consulting room access, which rural practices often cannot provide without new rooms, renovations and repurposing admin areas. This is often compounded by the fact that rooms are often already fully utilised by part-time GPs, locums, allied health visiting clinicians and nursing staff needing procedure or chronic-disease spaces.

Additionally, Registrar supervision also requires appropriate infrastructure. Supervisors need to be located in a room adjacent or easily accessible to the registrar. Supervisors also require protected time for debriefs, observation, case review, mandatory teaching. Many rural practices have only one generic treatment room, or a very basic one.

Therefore, regardless of workforce need, if there is no dedicated consulting room for the registrar, they simply cannot be accommodated by the practice. Most practices are not in a financial position to cover the costs associated with updating their facilities to support this type of work.

Solution

Whilst the RACGP understands the intent behind the Tasmanian Government's TassieDoc program, there are over 40 practices expected to transition to providing fully bulk billed services and the funds allocated to this program can be reallocated.

Providing one off high impact targeted infrastructure grants of $200,000 to MMM4-7 general practices to assist with mitigating infrastructure constraints on registrar training in the following four domains will immediately strengthen registrar training environments, enable accreditation, and improve access to primary care across regional Tasmania.

These grants could potentially cover the costs of:

- Consulting Room Expansion & Modular Clinical Rooms
  - Fast, cost-effective additions (permanent builds or modular rooms) to provide dedicated registrar consulting space, increase throughput, and remove the most common barrier to registrar placements.
- Supervisor–Registrar Co-Location Suites
  - Creating adjacent consulting rooms or small supervision hubs will enhance safety, facilitate real-time case review, and supports mandatory early-term supervision standards.
- Upgraded Procedure & Teaching Rooms
  - Investing in modernised procedure spaces and integrated teaching areas will allow registrars to meet procedural competencies on site and improves access to essential services in rural communities.
- Clinical Footprint Reconfiguration
  - Re-zoning and redesigning internal layouts to maximise existing space improves workflow and creates functional supervision adjacency without requiring major construction.

Impact

- Improves the quality of treatment and care facilities in regional and rural areas across Tasmania
- Supports the training of the next generation of GPs in regional Tasmania
- Alleviates financial stress associated with taking on registrars for training

Cost

$800,000 per annum to fund 4 grants

These costs could be offset by reallocating funds from the TassieDoc program

Expand Tasmania's RSV vaccine program to include people aged 75 and above

Budget initiative

Proposed Budget Measures	Estimated investment required
Ensure Tasmanians aged 75 and above can access RSV vaccines through the state's vaccine program	**$40m per annum**

Issue

RSV is a common respiratory infection. The symptoms are usually mild in and manageable, however some young children and elderly people can become extremely ill and require hospitalisation, particularly those living with multiple co-morbidities including COPD, asthma, heart failure and diabetes. Annually, around 6000 Australians are hospitalised with RSV. In 2024, there have been more than 168,000 reported cases of RSV with symptoms that ranging from mild to life-threatening.

Instances of RSV have been increasing in recent years across the country and Tasmanian has not been immune from this. In 2023 there were 2,137 cases across the state noted via the National Notifiable Disease Surveillance System, in just two years this has already grown to 2,930 cases.

The Tasmanian Government has taken the important first step to ensuring protection earlier this year through the RSV maternal and infant protection program. Whilst mothers and infants are at higher risk from RSV, ATAGI recommends that all Australians aged 75 years and over and Aboriginal and Torres Strait Islander Australians aged 60 and over should be vaccinated against RSV.

RSV can have devastating consequences for this age cohort, and they should be able to access this lifesaving protection without cost being a factor.

Solution

Subsidised RSV vaccines should be provided to Tasmanians aged over 75, Aboriginal and Torres Strait Islander people aged over 60 and people living in residential aged care in line with ATAGI recommendations.

Earlier this year the Victorian Government announced a nation leading program that would enable residents in public sector residential aged care services to access this vaccine, which will save lives.

Impact

- Significantly reduce cases of RSV in residential aged care facilities
- Ensure this vulnerable population is not unnecessarily taking up beds in our state's hospitals
- Bring Tasmania in line with or potentially exceed Victoria's vaccine coverage for RSV

Cost

$40 million per annum would enable all Tasmanian's aged 75 and older to access the RSV vaccine as recommended by ATAGI

Redirect Pharmacy Scope-of-Practice Expansion Pilot Funding to Embedding Pharmacists in RACFs

Budget initiative

Proposed Budget Measures	Estimated investment required
Redirect the $5 million previously announced to support the implementation of community pharmacy scope increase and deploy this funding towards embedding pharmacists into residential aged care facilities	Reprioritisation of existing funds

Issue

The Tasmanian Government has previously announced its policy on increasing the scope of care that can be provided by community pharmacies. The pilot's focus has been on enabling community pharmacists to undertake expanded clinical tasks with the aim of improving access and reducing pressure on emergency departments.

Activities may include UTI treatment, limited prescribing for oral contraceptives, vaccinations, simple acute conditions, and health checks. The model is retail-based, varies significantly in clinical governance structures, and may not integrate systematically with GP care plans, medical records, or collaborative chronic disease management frameworks.

There are serious flaws with this proposed approach, including:

- Fragmented care
  - A lack of shared patient records can increase duplication, medication misadventures, and safety risks
- Retail conflict-of-interest
  - Clinical decisions co-located with sales environments introduces fundamental ethical tensions to prescribing
- Limited impact for complex patients
  - Expanded minor-ailment management does not directly address the needs of older, frail, multi-morbid Tasmanians.
- Duplication rather than system strengthening
  - This approach does not build capacity in high-need settings such as residential aged care.

Solution

These funds can be better utilised by embedding pharmacists into residential aged care facilities to provide medication management, high-risk medicine oversight, and quality-use-of-medicines programs. Pharmacists coordinate with GPs, RNs, allied health, and facility managers to reduce preventable harm and improve continuity of care.

This approach leverages the unique skillset of pharmacists in an area that is in desperate need. Activities can include comprehensive medication reviews, high-risk medicine audits (antipsychotics, benzodiazepines, opioids), medication incident monitoring, staff training and systems improvement and support for transitions of care.

Domestic and international evidence from this multidisciplinary care model has shown reductions in medication errors, avoidable hospital transfers, inappropriate polypharmacy, and ED presentations.

Impact

- Ensures vulnerable children receive timely, essential medicines.
- Reduces preventable hospitalisations.
- Better value for money from the state's investment and direct measurable outcomes to monitor patient outcomes

Cost

As this is a reprioritisation of existing funding, there is no additional impact on the state's finances

Support the widespread embedding of GPs with Specific Interests into Tasmania's public outpatient clinics

Budget initiative

Proposed Budget Measures	Estimated investment required
Provide ongoing funding for the GPwSI role and sufficient resourcing within the Department of Health to manage governance and reporting issues	Reprioritisation

Issue

Many patients requiring urgent and semi-urgent healthcare from Tasmania's public outpatient clinics are facing significant wait times more than 100 days to access essential care. These wait times are being driven by both demand and a shortage of medical specialists.

The General Practitioner with Specific Interest (GPwSI) is a new role within the Tasmanian health system that is cost-effectively improving health care and reducing public outpatient clinic waiting lists. The Department of Health's evaluation of the initial program of GPwSIs noted "strong potential in addressing workforce shortages, improving care pathways, and enhancing integration between primary and secondary care", and the college has received feedback from GPs noting significant improvements to patient outcomes as well as high levels of professional satisfaction from participating doctors.

However, the evaluation of GPwSIs has noted significant concerns with the project's non-sustained funding as well as an insufficient governance model that has hindered the model from achieving its full impact.

Solution

To realise the full potential of this model ongoing support and funding for the project is required, in particular through appropriate resourcing within the Department of Health to ensure effective and appropriate governance and performance measuring.

Additional consideration should also be given to expanding the GPwSI role to support child health and young person's health, antenatal health, diabetes, cardiology, gastroenterology, mental health and ear, nose and throat speciality areas.

Impact

- Ensures Tasmanians can receive timely, essential health care
- Provides an additional route for GPs with unique experience or interests to support the health outcomes of Tasmanians
- Eases pressure on the state's hospitals

Cost

This budget initiative can be achieved through reprioritisation of existing Department of Health funding and resourcing