



Australian Government
Department of Health and Ageing

Mr Geoff Lake
8 Geils Court
DEAKIN ACT 2600

ALGA MAIL
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Dear Mr Lake

Thank you for your letter of 1 October 2010 to the Minister for Health and Ageing, the Hon Nicola Roxon MP, regarding a number of resolutions passed at the Australian Local Government Association's 2010 National Assembly of Local Government. The Minister has asked me to reply on her behalf.

The Australian Government funds the Zero Real Interest Loans program which commenced in 2008 and has made available, through two funding rounds, up to \$300 million in low-cost loans to aged care providers, including state, territory and local governments, to support the development of new residential aged care places in areas of high need.

While both loans rounds have subsequently been completed, the Government recently announced an extension to the program to provide a further \$300 million in low-cost loans through two more funding rounds. The loans rounds will be run in conjunction with the 2010-11 and 2011-12 Aged Care Approvals Rounds.

It is expected the eligibility criteria for the expansion rounds will remain consistent with the earlier rounds and allow state, territory and local government entities to apply for a zero real interest loan. The timetable for the 2010-11 Aged Care Approvals Round is yet to be determined, however it will be advertised nationally in major newspapers and on the Department of Health and Ageing's website and will contain information about the number of places available at an aged care planning region level, the loans eligibility criteria and the identified regions eligible to apply for a zero real interest loan.

In regards to motion 50, the Australian Government funds the Opiate Dependency Treatment Program under Section 100 of the National Health Act 1953. This program provides assistance to people suffering from opiate withdrawal through the funding of treatment and maintenance drugs, such as methadone and buprenorphine, through the Pharmaceutical Benefits Scheme (PBS). State and Territory Governments administer treatment programs and are responsible for all applicable charges, as well as the approval of doctors, dispensing outlets and patients participating in the program.

PBS dispensing often occurs on a monthly basis and co-payments and pack sizes are tailored for that frequency. The items available under this program cannot be adequately dispensed under normal PBS provisions. Generally, clients are supplied with their medicine as a single dose, which is consumed under professional supervision at a community pharmacy on a daily

basis. This service often attracts a fee for the patient, however, as this fee is not a PBS patient co-payment, it cannot accumulate towards the safety net.

Finally, in relation to concerns about the *Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009* (the Bill) raised in motion 55, collaborative arrangements have always been an explicit element of the Government's policy in relation to the maternity reforms. This is to ensure that established pathways are in place that enable consultation with, referral to and transfer of the woman's care by a midwife to a medical practitioner, in line with the patient's clinical needs.


What collaborative arrangements should entail and how they might be evidenced was the subject of extensive consultation with key stakeholders. These included the Australian College of Midwives, Australian Nursing Federation, Australian Private Midwives Association and the Maternity Coalition. As required by the Bill, collaborative arrangements have been specified in secondary legislation in the *National Health (Collaborative arrangements for midwives) Determination 2010*, the *Health Insurance (Collaborative arrangements for nurse practitioners) Determination 2010* and the *Health Insurance Amendment Regulations 2010 (No.1)*. The legislation can be viewed at <http://www.comlaw.gov.au>

The expansion of the Medicare arrangements to include services provided or requested by participating midwives is a landmark reform for Australia's midwives. It significantly advances the current position of midwives seeking to practice privately and provide care for their own patients. It will also provide opportunities for the development of new, innovative private practice models of care that can be tailored to meet local needs. Medicare subsidised midwifery services provided in expanded private practice care models will in turn benefit women seeking to access such care.

The implementation of the Medicare midwifery reforms will be closely monitored from its roll out and the Government will be seeking evidence of any significant barriers to midwives participating in the measure posed by these reforms. A comprehensive review of the maternity reforms as a whole will be undertaken after two years, including a post-implementation review of the Medicare component of the measure. The review will be informed by the views of stakeholder groups and consumers and they will include any recommendations for changes that become evident in the post implementation period or during the review process.

I trust that this information is of assistance to you.

Yours sincerely



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1 November 2010