

## Dental Health Reform Package

August 2012

On Wednesday 29 August 2012, Minister for Health the Hon. Tanya Plibersek MP announced a \$4.1 billion reform package for Australian dental health.

Reform of Australia's dental health system has been a priority of the Gillard Government and Minister Plibersek, and was a feature of the agreement made with the Australian Greens to support the Gillard Government following the 2010 Federal Election. More information on the agreement is available [here](#).

This substantial funding announcement is in addition to the \$515.3 million dental health package announced by the Government in the 2012-13 Federal Budget.

Minister Plibersek's press release is available [here](#).

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### The Reform Package

The Reform Package includes three key components: a \$2.7 billion entitlement program for young Australians; a \$1.3 billion investment in the public dental system to support low income adult Australians; and a \$225 million investment in dental workforce training and infrastructure.

- **Dental Health for Young Australians**

The package includes \$2.7 billion for Medicare funded dental care for young Australian's aged two to 17. Children in this age bracket from families eligible for Family Tax Benefit A will be entitled to subsidised dental treatment, capped at \$1,000 per child over a two-year period. This entitlement will operate through the Medicare system, and will be redeemable in either the public or the private dental system. The initiative aims to address dental decay in children, which has been increasing since the 1990s.

- **Dental Health for Low Income Adults**

The second aspect of this package is a \$1.3 billion investment to expand the States and Territories' public dental systems for the benefit of low income adult Australians. The investment will be made through the National Partnerships Agreement, and will provide better access to dental care in the public system for adults on low incomes, including pensioners and concession card holders, and those with

special needs. This funding will depend on the States and Territories at least maintaining their current level of dental care services.

- **Investment in Workforce and Infrastructure**

The third aspect of this reform package is a \$226 million investment in Australia's dental workforce and infrastructure, specifically targeted at outer metropolitan, regional, rural and remote areas. This funding is designed to provide more dental chairs and more dentists in areas where access is currently poor.

### **Implementation**

Some elements of the reform package will require enabling legislation, which Minister Plibersek said would be introduced this sitting session, ending on 29 November 2012. Additionally, a disallowance motion will be required to end the CDDS. The Australian Greens have already indicated their support for the enabling legislation, and Minister Plibersek is currently negotiating support with the independent Members of Parliament.

The reforms for young Australians will be implemented from 1 January 2014, while reforms for low income Australian adults will be implemented from 1 July 2014. These time frames have been designed so that the dental initiatives funded in the 2012-13 Federal Budget will have begun to improve the capacity of the Australian dental system before the new programs are implemented.

The new Dental Health Reform Package will replace two existing schemes, the Medicare Teen Dental Plan and the Chronic Disease Dental Scheme (CDDS). The CDDS will be phased out by 1 December 2012, allowing existing users of the scheme to finish their current course of treatment. In announcing the new Reform Package, Minister Plibersek said that the CDDS, which was introduced by the Howard Government, was a poorly targeted and widely misused scheme, which saw significant waste and over-servicing and failed to address the capacity constraints in existing public dental services.

Minister Plibersek has said that the \$4.1 billion funding for the Package would be fully accounted for in the upcoming Mid-Year Economic and Fiscal Outlook (MYEFO) statements, due to be released by January 2014.

### **Background: National Advisory Council on Dental Health**

This Reform Package implements many of the key recommendations of the National Advisory Council on Dental Health (NACDH). The NACDH is an expert advisory council established in September 2011 to provide strategic and independent advice on dental health issues, with a specific priority being to provide policy options that could be implemented in the 2012-13 Budget cycle.

The NACDH's final report is available [here](#).

### **Background: Dental Health in the 2012-13 Federal Budget**

In the 2012-13 Federal Budget released on 8 May 2012, the Government announced it would invest \$515.3 million over four years into dental health, specifically targeted at reducing public dental waiting lists and increasing the capacity of the public dental system.



Key features of this funding include:

- \$345.9 million over three years to help reduce public dental waiting lists;
- \$158.6 million over four years to increase the capacity of the dental workforce, including \$77.7 million over four years to support the relocation of dentists to regional, rural and remote areas;
- \$10.5 million over three years to deliver national oral health promotion activities in consultation with key dental health organisations; and
- \$0.5 million over three years to support the delivery of pro bono dental services by oral health professionals.