Medicare Urgent Care Clinics - Tasmania FEDERATION FUNDING AGREEMENT - HEALTH

Parties	Commonwealth Tasmania						
Duration	This Schedule is expected to expire on 30 June 2026.						
Purpose	This Schedule will support the delivery of five Medicare Urgent Care Clinics (Medicare UCCs) in Tasmania. The Medicare UCCs will be based in Hobart (Liverpool Street), Devonport, Launceston, Hobart (Bathurst Street), and Bridgewater.						
	Medicare UCCs will ease the pressure on hospitals and give Australian families more options to see a healthcare professional when they have an urgent, but not life-threatening, need for care. All Medicare UCCs will provide free services, be open during extended business hours and accept walk-in patients.						
	The Tasmanian Government will establish Medicare UCCs in Tasmania and will identify eligible providers in locations as agreed with the Commonwealth.						
	Tasmania will have an ongoing role in administering and managing the contract with the selected providers, ensuring system integration of Medicare UCCs, working closely with partner hospitals, Primary Health Tasmania (PHT) and Local Health Networks (or equivalent), and working with the Department of Health, Disability and Ageing to monitor and support Medicare UCC operations, including compliance and contractual requirements.						
	This Schedule reflects the additional funding included in the 2025-26 Federal Budget to support an extension of opening hours at the Launceston Medicare UCC from 2pm to 8pm seven days per week, to 9am to 8pm seven days per week, commencing from 1 July 2025 to 30 June 2026.						
Estimated financial contributions	The Commonwealth will provide an estimated financial contribution to Tasmania of \$24.5 million in respect of this Schedule. The Commonwealth's estimated financial contributions to the operation of this Schedule are shown below.						
	Table 1						
	(\$ million)	2022-23	2023-24	2024-25	2025-26	Total	
	Estimated total budget	2.605	4.279	8.039	9.621	24.544	
	Less estimated National Partnership Payments	2.605	4.279	8.039	9.621	24.544	
	Balance of non- Commonwealth contributions	0.000	0.000	0.000	0.000	0.000	

Additional terms

Project Output

The output of this Schedule will be the delivery of Medicare UCCs and support provided to the clinics. The Parties have agreed that Medicare UCCs will be

- Based in existing GP clinics, community health centres, or Aboriginal Community Controlled Health Services
- Operate for extended business hours and accept walk-in patients
- Bulk-billed resulting in no out-of-pocket costs to the patient
- Flexible and diverse, responding to the needs of the local community
- High quality, safe and effective
- Provide treatment for conditions that do not require a hospital admission such as broken bones, wounds, and minor burns.

The Parties have agreed an approach to Data, Monitoring and Evaluation that has been developed by the Commonwealth and the jurisdictions. The key goals of Medicare UCCs are as follows:

- Medicare UCCs will improve access to urgent care in non-hospital settings, particularly for vulnerable groups (including people with a disability, First Nations people and people from culturally and linguistically diverse communities). This includes the aim of changing consumer behaviour when considering options for appropriate care for urgent conditions that are not immediately life-threatening.
- Medicare UCCs will reduce the pressure on Emergency Department (ED)
 presentations in partner hospitals by providing patients with short term,
 episodic care for urgent conditions that are not immediately life-threatening.
- Medicare UCCs will support integration with existing local health services and complement general practice.

The Parties have agreed that Medicare UCCs will support people to connect to pathways of care with the broader health system, including ensuring referrals back to a patient's regular GP or care provider, in line with the requirements of the Operational Guidance for Medicare UCCs.

The Parties have jointly developed and agreed on measures of success, underpinned by associated data sources which will ensure a shared view of what Medicare UCCs will aim to achieve and guide the approach to evaluation to be led by the Commonwealth. The Parties have jointly developed and agreed on Operational Guidance which specifies the minimum standard for activity, infrastructure and staffing of a Medicare UCC, while acknowledging that the specific operating model of clinics will vary across locations and is dependent on local conditions including workforce availability.

The Parties have agreed that Medicare UCCs will be funded by the Commonwealth through both block funding (which Tasmania will receive under this Schedule) and the ability to bill a subset of Medicare Benefits Schedule (MBS) items. The funding model will be facilitated through a Medicare UCC specific exemption to subsection 19(2) of the Health Insurance Act 1973.

Roles and Responsibilities of Each Party

Role of the Commonwealth

The Parties agreed that the Commonwealth (in addition to the roles outlined in the Federation Funding Agreement – Health), will be responsible for:

- Monitoring and assessing achievement against milestones in the delivery of projects under this Schedule to ensure that outputs are delivered within the agreed timeframe;
- Providing a financial contribution to Tasmania as outlined in this Schedule to
 exclusively fund the establishment and operation of five Medicare UCCs,
 inclusive of one-off upfront equipment costs (where applicable), ongoing
 operational costs, and non-labour costs;
- Providing funding to PHT to support Medicare UCCs including to undertake communications activities, data collection, development of care pathways, and ensuring broader system integration.
- Preparing and supporting data extraction and collection directly from Medicare UCC clinics to the Department of Health, Disability and Ageing.
 - Data management responsibilities will include entering into a Data Sharing Agreement with the Medicare UCC for extraction of data from Patient Management Software. The Department of Health, Disability and Ageing will be the data custodian of this data.
- Assessing Medicare UCC locations against the agreed Medicare UCC definition and assessment criteria to resolve if a clinic should be awarded a (Health Insurance Medicare Benefits Payable in Respect of Professional Services – Commonwealth Urgent Care Clinic Program) Direction from subsection 19(2) of the Health Insurance Act 1973. The provision of this exemption also includes:
 - Providing separate Medicare UCC provider numbers to eligible clinicians for each Medicare UCC to ensure access to the MBS for specified MBS items;
 - Supporting participating locations and jurisdictions to understand their responsibilities in relation to adhering to a granted subsection 19(2)
 Direction and provide relevant advice and education.
- Considering alternative arrangements for Medicare UCC operators that may be subject to an existing subsection 19(2) Direction (for example, Medicare UCCs established within Aboriginal Community Controlled Health Services), and working across agencies to ensure appropriate access to the MBS in these instances.
- Leading the national evaluation of the Medicare UCC program in consultation with Tasmania and in line with the Senior Officials Advisory Group agreed measures of success.

Role of Tasmania

Tasmania (in addition to the roles outlined in the Federation Funding Agreement – Health), will be responsible for:

- All aspects of delivering on the project outputs set out in this Schedule;
- Seeking approval from the Commonwealth for any change to a provider or the agreed Medicare UCC locations;
- Administering and managing the contract with selected providers;
- Supporting Medicare UCCs to have clinical governance protocols in place and to provide care that is high quality, safe and effective;
- Ensuring Medicare UCCs adhere to Commonwealth guidelines and requirements, including the UCC Design Principles, UCC Operational Guidance, data sharing agreements and subsection 19(2) Directions;
- Seeking agreement from the Commonwealth if Medicare UCCs are unable to meet the full scope of the UCC Operational Guidance (e.g. extended opening hours), including agreement from the Commonwealth of interim operating

- arrangements. The Commonwealth has also developed Medicare UCC contract guidance to support commissioning arrangements.
- Working in collaboration with PHT to support Medicare UCCs to develop and maintain integrated patient pathways between EDs, Medicare UCCs and other health care services and regularly review the pathways in place to ensure they remain appropriate and are working effectively.
- Ensuring Medicare UCC staff undertake any required training as specified by the Commonwealth
- Reporting relevant data to the Department of Health, Disability and Ageing in accordance with data reporting requirements (as governed by the Tasmanian Data Sharing Agreement) and supporting clinic adherence to data collection processes:
- Timely reporting to the Department of Health, Disability and Ageing on compliance, management or safety issues and any other notifiable changes as specified within the Medicare UCC Summary of Commissioner Reporting and Notifications to the Commonwealth;
- Participating in the Commonwealth-led evaluation of Medicare UCCs including through the collection and provision of requested relevant information from Medicare UCCs to guide the evaluation (such as patient experience surveys or case studies); and
- Ensuring Medicare UCCs participate in national communication activities and adhere to Commonwealth branding requirements, including maintaining an accurate online presence (including a website) and each Medicare UCC being exclusively Commonwealth branded; and
- Reporting on the delivery of outputs (project milestones, reporting and payments) as set out in Table 2A.

Shared Roles

- The Parties agree that the Commonwealth and Tasmania (in addition to the roles outlined in the Federation Funding Agreement – Health), will be jointly responsible for agreeing State-specific projects and implementation arrangements under this Schedule.
- The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Schedule, and that the roles of both Parties will be acknowledged and recognised appropriately.
- While the Department of Health, Disability and Ageing will provide subsection 19(2) Directions and support the provision of separate Medicare UCC flagged provider numbers, both parties will ensure that Medicare UCCs are operating in accordance with requirements under the associated Medicare UCC Direction.
- The Parties agree that the Commonwealth and Tasmania will be jointly responsible for privacy controls and appropriate data governance in accordance with the *Privacy Act* 1988 and relevant state-based privacy legislation. These responsibilities will be outlined in the Commonwealth and UCC Data Sharing Agreements. In addition, both parties must ensure patients at Medicare UCCs are provided with the Commonwealth's privacy policy and

- patient consent forms (to complete) every time a patient presents at a Medicare UCC.
- The Parties note that the Commonwealth has undertaken a Privacy Impact Assessment (PIA) for the current terms of data collection. Recommendations identified through the PIA have been actioned and/or adhered to where appropriate and reasonable by both the Commonwealth and Tasmania. The Parties agree that any significant changes made to data collection processes in the future will need to be considered by the Commonwealth and Tasmania, and the PIA may need to be updated.
- Both Parties will support communication campaigns to inform consumer behaviour change and encourage patients to present appropriately at Medicare UCCs.

Financial Arrangements

In addition to the financial arrangements as outlined in the Federation Funding Agreement — Health, it should be noted that the Commonwealth's funding contribution does not include additional Commonwealth contributions of MBS billings which will be demand driven and paid separately to Medicare UCCs through the existing MBS payment mechanism.

Tasmania is unable to seek or utilise funding under the National Health Reform Agreement (NHRA) for the purpose of delivering Medicare UCCs. The Commonwealth will not fund patient services under the NHRA if the same service, or any part of the service, is funded through an existing Commonwealth program including the Medicare Benefits Schedule (see clause Ag and A10 of the 2020-2025 Addendum) and Tasmania will ensure appropriate records are maintained.

Table 2A: Tasmania – Performance requirements, reporting and payment summary							
Performance milestones		Report due	Payment				
Planning for the establishment of Medicare UCCs in the following locations: North West Region, Launceston, Hobart (2)	Participation in Medicare UCC governance arrangements, commencing establishment of Medicare UCCs, establishment of data sharing agreements, and execution of this Project Agreement	16 June 2023	\$2,605,000 (Complete)				
Provision of services through the Medicare UCCs	The provision of services through the Medicare UCCs for the period 1 July 2023 to 31 March 2024	1 May 2024	\$4,279,000 (Complete)				
Planning for establishment of one Medicare UCC in Bridgewater	Consultation and planning activities for the establishment of one additional Medicare UCC	1 August 2024	\$3,670,000 2024-25 (Complete)				
Provision of services through the Medicare UCCs	The provision of services through the Medicare UCCs for the period 1 April 2024 to 31 March 2025	1 April 2025	\$4,369,000 2024-25 (Complete)				
	Written confirmation of extended opening hours of the Launceston Medicare UCC (9am-8pm, seven days per week) from 1 July 2025 to 30 June 2026.	1 July 2025	\$1,966,000 2025-26				
	The provision of services through the Medicare UCCs for the period 1 April 2025 to 31 March 2026	1 April 2026	\$7,655,000 2025-26				
	The provision of services through the Medicare UCCs for the period 1 April 2026 to 30 June 2026	1 August 2026	. N/A				

The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia My

The Honourable Mark Butler MP

Minister for Health and Ageing Minister for Disability and the National Disability Insurance Scheme

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Signed for and on behalf of the State of Tasmania by

The Honourable Jacquie Petrusma MP

Minister for Health; Minister for Aboriginal Affairs; Minister for Veterans' Affairs

26 / 06 / 2025