Schedule

Medicare Urgent Care Clinics – Northern Territory

FEDERATION FUNDING AGREEMENT – HEALTH

Table 1: Formalities and operation of schedule

Parties	Commonwealth Northern Territory
Duration	This Schedule is expected to expire on 30 September 2028. This Schedule will expire on completion of the initiative, including final performance reporting and processing of final payments against milestones.
Purpose	This Schedule will support the delivery of Medicare Urgent Care Clinics (Medicare UCCs) in the Northern Territory. Two of the nine Medicare UCCs in the Northern Territory are based in Palmerston and Alice Springs (Mparntwe), while the remaining six clinics are located in remote regions (Alyangula, Maningrida, Wurrumiyanga, Galiwinku, Lajamanu, and Ali Curung). An additional UCC in Darwin will be delivered under this varied Schedule. This Schedule aims, through delivery of Medicare UCCs, to 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. Medicare UCCs provide free services, are open during extended business hours, and accept walk-in patients. It is expected that Medicare UCCs 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 to ensure that the patient receives continuity of care. All referral pathways into and out of the Medicare UCC are driven by local need and co-designed with relevant stakeholders to ensure connectivity to existing community health services, GPs, non-government sector, state and territory funded services, hospital and ambulatory services and other support services.
Estimated financial contributions	The Commonwealth will provide an estimated financial contribution to the Northern Territory of $46.049 million in respect of this Schedule. The Commonwealth's estimated financial contributions per financial year to the operation of this Schedule are shown below. Funding for the existing eight clinics ceases on 30 June 2026. Funding for Darwin ceases on 30 June 2028.

Table 1 ($ million)	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Estimated total budget	1.009	2.868	15.377	20.852	2.942	3.001	46.049

	Less estimated National Partnership Payments	1.009	2.868	15.377	20.852	2.942	3.001	**46.049**
	Balance of non-Commonwealth contributions	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**	**0.000**

Additional terms

Project Output

The Parties have agreed that Medicare UCCs will be:

- Based in existing GP clinics, community health centres, or Aboriginal Community Controlled Health Services.
- 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
- Appropriately equipped to provide treatment for conditions that do not require a hospital admission such as broken bones, wounds, and minor burns.

The Northern Territory will ensure that the arrangements in place for each UCC recognise these core principles.

The Northern Territory will ensure that the Medicare UCCs established under this Schedule bulk bill so that Medicare-eligible patients do not experience out-of-pocket costs, and that all services are delivered free of charge to patients.

The Northern Territory will ensure that Medicare UCCs are co-located with, or partnered alongside, General Practices that offer full bulk billing (where local circumstances allow), and will give preference to fully bulk billing General Practices in the selection of providers. Northern Territory will consider the bulk billing rates in their local area when commissioning Medicare UCCs, to help ensure that affordable General Practice care remains accessible to the community.

The Parties have agreed that the key goals or outcomes 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 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 to an approach for Data, Monitoring and Evaluation that has been developed by the Commonwealth and jurisdictions. The Parties have jointly developed and agreed on measures of success, underpinned by associated data sources which will ensure a shared view of what UCCs will aim to achieve and guide the approach to evaluation to be led by the Commonwealth. This framework will take into consideration the different conditions for the remote clinics for which the measures are less applicable.

The Parties have jointly developed and agreed on Operational Guidance for Medicare UCCs 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 the Northern Territory will receive under this Schedule) and the ability to bill a subset of Medicare Benefit 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* (enacted through a 'subsection 19(2) Direction').

Roles and Responsibilities of Each Party

Role of the Commonwealth

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

- 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 UCC definition and assessment criteria to resolve if a clinic is eligible for a Direction *(Health Insurance Medicare Benefits Payable in Respect of Professional Services – Commonwealth Urgent Care Clinic Program)* under subsection 19(2) of the *Health Insurance Act 1973*. The provision of this Direction enables:
    - Separate Medicare UCC provider numbers to eligible clinicians for each Medicare UCC to ensure access to the MBS for specified MBS items; and
    - Supports 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 remote community clinics or 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 the Northern Territory and in line with the Senior Official Advisory Group agreed measures of success.

Role of the Northern Territory Government

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

- Administering and managing the contract with selected providers.
- Efficient allocation of funding across Medicare UCCs to support clinic achievement of the program objectives.
- Ensure arrangements are in place to facilitate system integration of Medicare UCCs with partner hospitals, Primary Health Networks (PHNs) and Local Health Networks (or equivalent).
- Supporting providers to adhere to all Medicare UCC program, policy and operational guidance requirements.
- Supporting clinics to have clinical governance protocols in place and to provide care that is high quality, safe and effective.
- Ensuring clinic participation in the Independent Clinical Assessment process led by the Department of Health, Disability and Ageing, and support clinics to address any findings of this assessment within three months of opening or sooner.
- Seeking approval from the Commonwealth for any change to a provider or the agreed Medicare UCC locations.
- Ensuring Medicare UCCs adhere to Commonwealth guidelines and requirements including the UCC Design Principles, UCC Operational Guidance (published on the Department of Health, Disability and Ageing website), 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.
- Ensuring Medicare UCC staff undertake any required training as specified by the Commonwealth or can demonstrate that training already undertaken sufficiently meets the Commonwealth's training requirements as outlined within the Medicare UCC Operational Guidance.
- Ensuring Medicare UCCs adhere to the Medicare UCC Privacy Policy and the Medicare UCC Patient Consent Form (supplied separately), as outlined in the Operational Guidance, and provide clinics with support to complete new data fields where required.
- Reporting relevant data to the Department of Health, Disability and Ageing in accordance with data reporting requirements (as governed by the NT 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. • Notifying the Commonwealth of contractual non-compliance, and any non-compliance with the Medicare UCC's subsection 19(2) Direction. • Supporting clinics to understand their compliance responsibilities and provide relevant advice and education where required. • 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). • The Northern Territory will have regard to the performance-based funding model in determining the allocation of funding under this Schedule to the Darwin UCC and will maintain appropriate records of how the funds are allocated. The Northern Territory agrees to provide the records (as set out in Table 2A) to the Commonwealth or relevant Urgent Care Clinic Commissioner on request. **Shared Roles** • The Parties agree that the Commonwealth and the Northern Territory (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 Directions under subsection 19(2) Direction 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 Commonwealth and the Northern Territory will be jointly responsible for privacy controls and appropriate data governance in accordance with the *Privacy Act 1988* (Cth) 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 patients present at a 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 the Northern Territory. The Parties agree that any significant changes made to data collection processes in the future will need to be considered again by the Commonwealth and the Northern Territory and the PIA may need to be updated.
- Both Parties will undertake relevant local communications activities to increase community awareness and understanding of the availability of services and conditions that are appropriate to be managed within a Medicare UCC.

Financial Arrangements

The National Health Reform Agreement (NHRA) provides that the Commonwealth will not fund a service where the same service, or any part of the same service, is otherwise funded by the Commonwealth through Federation Funding Agreement arrangements. The Northern Territory will ensure that any claim for funding under the NHRA does not relate to services, or any part of a service, provided for under this agreement and will maintain appropriate records.

The *Health Insurance Act 1973* (Cth) also prohibits the payment of Medicare benefits where other Commonwealth funding is provided for that service, except where expressly exempted under section 19(2). A section 19(2) exemption will be in force to support the operation of Medicare UCCs through Medicare Benefits Schedule (MBS) billing in line with demand for services (in conjunction with funding under this Schedule). The Northern Territory will ensure activities undertaken under this Schedule recognise the operation of the *Health Insurance Act 1973* (Cth) and the terms of the section 19(2) exemption in respect of MBS billing.

Performance-based funding and unspent funds

The Northern Territory will apply the performance-based funding model to the Darwin Medicare Urgent Care Clinic in determining the allocation of operational funding and will maintain appropriate records of how the funds are allocated. The funding model is reflected in the Forecast Opportunity View - P7514 on GrantConnect.

The Parties acknowledge that the operating costs of some UCCs, particularly those in remote areas may be greater than accounted and that additional funding support may be required above the funding allocation.

The Parties agree that the underpinning principle for funding the UCCs supported through this Schedule is that the Commonwealth funding is to be apportioned/allocated by the Northern Territory and may elect to allocate a higher level of funding to a particular UCC where there is reasonable justification to do so.

The Northern Territory will maintain records about the actual operating costs of each UCC to facilitate reconciliation of total operating cost with the funding

	allocation. The Parties agree that despite Clause 31 of the FFA - Health, any funding provided through this Schedule that is not required to be used to support the actual cost of operating the UCCs is to be guaranteed by the NT for the future operation of UCCs in the NT beyond the life of this Schedule. The Parties acknowledge that the final reporting requirements (see Table 2A) will include an acquittal of all funding provided through this Schedule (annual funding against annual operating cost) and will be used to determine if any funding provided through the Schedule was not utilised to support the efficient operating costs of the UCCs (constituting unspent funds). The Parties agree that any unspent funds will be accounted for in any future arrangements for the operation of UCCs in the Northern Territory established beyond the life of this Schedule, whether or not those arrangements are with the Northern Territory Government directly or other providers.

Table 2A: Northern Territory – Performance requirements, reporting and payment summary			
Output	**Performance milestones**	**Report due**	**Payment**
Planning for establishment of Medicare UCCs in the following locations: Palmerston and Alice Springs	Commencing establishment of Medicare UCCs in Palmerston and Alice Springs Participation in Medicare UCC governance arrangements Supporting the establishment of data sharing agreements Execution of this Project Agreement	15 May 2023	$1,009,000 (Complete)
Provision of services through the Medicare UCCs	The establishment and the provision of services through the Medicare UCCs for the period 1 July 2023 to 31 March 2024	15 May 2024	$2,868,000 (Complete)
	Establishment of three Medicare UCCs (Alyangula, Maningrida, Wurrumiyanga) Consultation, planning and establishment of three additional remote Medicare UCCs (Galiwinku, Lajamanu, Ali Curung)	1 August 2024	$12,449,000 2024-25 (Complete)
	The provision of services through the Medicare UCCs for the period 1 April 2024 to 31 March 2025	1 April 2025	$2,928,000 2024-25 (Complete)
	The provision of a plan to address workforce attraction and retention challenges at the Mparntwe Medicare UCC. The plan should specify what additional funding will be used for and the expected benefits	1 October 2025	$1,050,000
	Consultation, planning and execution of a contract with a provider to establish an additional Medicare UCC in Darwin, in accordance with the funding terms.	1 February 2026	$3,825,000
	The provision of a report which demonstrates that services have been delivered through the Medicare UCCs for the period	1 April 2026	$15,977,000

	1 April 2025 to 31 March 2026 in line with the roles and responsibilities outlined within this Schedule. The report should also include a financial acquittal of funding allocated to the Darwin Medicare UCCs under the performance-based funding model.		
	Final report covering delivery of tranche 1 and 2 clinics (currently funded to 30 June 2026). The report should: • Demonstrate that services have been delivered through the Medicare UCC for the period 1 April 2026 to 30 June 2026 in line with the roles and responsibilities outlined within this Schedule. • Provide a final financial reconciliation acquitting all funding provided through this Schedule (annual funding against annual operating cost) and that identifies any funding provided through this Schedule not utilised to support the establishment or operating costs of UCCs. • Include an evaluation of the conduct (including any lessons learned), benefits and outcomes of the UCC program through the life of this Schedule.	30 July 2026	$0.0
	The provision of a report which demonstrates that services for the Darwin UCC have been delivered for the period 1 April 2027 to 31 March 2028 in line with the roles and responsibilities outlined within this Schedule.	1 April 2027	$2,942,000
	The provision of a report which demonstrates that services for the Darwin UCC have been delivered for the period 1 February 2026 to 31 March 2028 in line with the roles and responsibilities outlined within this Schedule.	1 April 2028	$3,001,000
	The provision of a final report which:	30 August 2028	$0.0

	• Demonstrates that service has been delivered through the Darwin Medicare UCC for the period 1 April 2027 to 30 June 2028 in line with the roles and responsibilities outlined within this Schedule. • Provides a final financial reconciliation acquitting all funding provided through this Schedule (annual funding against annual operating cost) and that identifies any funding provided through this Schedule not utilised to support the establishment or operating costs of UCCs. • Includes an evaluation of the conduct (including any lessons learned), benefits and outcomes of the Darwin UCC program through the life of this Schedule.		

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

Signed *for and on behalf of the Commonwealth of Australia by*

The Honourable Mark Butler MP
Minister for Health and Ageing

Minister for Disability and the National Disability Insurance Scheme

27 / 05 / 2025

Signed *for and on behalf of the Northern Territory by*

The Honourable Steven Edgington
Minister for Health; Mental Health; Alcohol Policy; Aboriginal Affairs; Housing, Local Government and Community Development; Essential Services

21 / 10 / 2025