

APPENDIX C – PRO-FORMA REQUEST FOR COSTING AN ELECTION COMMITMENT¹

Name of policy	Coalition’s plan for access to affordable pathology for all Australians
Person requesting costing (Prime Minister/Leader of the Opposition/Leader of a minority party):	Prime Minister
Date of public release of policy:	13 May 2016
Date of request to cost the policy:	17 June 2016
Summary of policy (please attach copies of relevant policy documents):	To give effect to an agreement reached with Pathology Australia that a returned Turnbull Coalition Government will delay the commencement of the 2015-16 Mid-Year Economic and Fiscal Outlook (MYEFO) measure ‘ <i>Medicare Benefits Schedule – changes to diagnostic imaging and pathology services bulk-billing incentives</i> ’, the pathology component of this measure will now commence at the date that the changes to the regulatory framework take effect, which is assumed to be 1 October 2016.
Intention of policy:	To give effect to an agreement reached with Pathology Australia
Certification that this, or a substantially similar costing request, has not been submitted to the Parliamentary Budget Office	This costing has not been previously submitted to the PBO.
Description of policy (please note that, where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request)	
What are the key assumptions that have been made in the policy including:	
Is the policy part of a package? If yes, list and outline components and interactions with proposed or existing policies.	No.
Where relevant, is funding for the policy to be demand driven or a capped amount?	N/A
Will third parties (for instance the States/Territories) have a role in funding or delivering the policy? If yes, is the Australian Government contribution capped, with additional costs to be met by third parties, or is another funding formula envisaged?	N/A

¹ An electronic version of this pro-forma can be found at www.electioncostings.gov.au/templates.

<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	<p>No</p>
<p>Description of policy (please note that, where the request to cost a proposal differs from the announced policy, the costing will be on the basis of information provided in the costing request) What are the key assumptions that have been made in the policy including: (continued)</p>	
<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	<p>Yes, it relates to the 2015-16 MYEFO measure '<i>Medicare Benefits Schedule – changes to diagnostic imaging and pathology services bulk-billing incentives</i>', the pathology component of this measure will now commence on 1 October 2016.</p>
<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the programme? Will funding/cost require indexation? If yes, list factors used.</p>	<p>Yes, departmental funding factored into the cost of this measure from 1 July 2016 to 30 September 2016, due to the delay in commencement of this measure to 1 October 2016.</p>
<p>What are the estimated costs each year? Are these provided on a cash or fiscal basis?</p>	<p>Expected to be a negative fiscal and underlying cash balance impact.</p>
<p>What assumptions have been made in deriving the expected financial impact in the party costing (please provide information on the data sources used to develop the policy)?</p>	<p>Delay in the pathology component of the 2015-16 MYEFO measure '<i>Medicare Benefits Schedule – changes to diagnostic imaging and pathology services bulk-billing incentives</i>', which will now commence on 1 October 2016.</p>
<p>Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?</p>	<p>No.</p>
<p>What is the expected community impact of the policy? How many people will be affected by the policy? What is the likely take up? What is the basis for these impact assessments/assumptions?</p>	<p>Existing arrangements will continue until 1 October 2016.</p>
<p>NOTE: it will be up to the professional judgment of the relevant Secretary as to whether these assumptions are adopted in a Treasury or Finance costing of the policy.</p>	

Administration of policy	
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Department of Health
Should departmental expenses associated with this policy be included in this costing? If no, will the Department be expected to absorb expenses associated with this policy? If yes, please specify the key assumptions, including whether departmental costs are expected with respect to programme management (by policy agencies) and additional transactions/processing (by service delivery agencies).	No
Intended date of implementation.	1 October 2016
Intended duration of policy.	From 1 October 2016
Are there transitional arrangements associated with policy implementation?	No
List major data sources utilised to develop policy (for example, ABS cat. no. 3201.0).	
Are there any other assumptions that need to be considered?	