



Policy costing request—during the caretaker period for a general election

Name of policy:	Expanding Denticare
Person requesting costing:	Senator Richard Di Natale
Parliamentary party:	Australian Greens
Date of request to cost the policy:	24 June 2016
<i>Note: This policy costing request and the response to this request will be made publicly available.</i>	
Has a costing of this policy been requested under Section 29 of the Charter of Budget Honesty (ie from the Treasury or the Department of Finance)?	No
Details of the public release of this policy (Date, by whom and a reference to that release):	15 June 2016; Senator Richard Di Natale; http://greens.org.au/denticare
Description of policy	
Summary of policy (as applicable, please attach copies of relevant policy documents):	Retain the Child Dental Benefits Scheme (CDBS) which provides access to \$1000 for essential dental care every two years for children in families eligible for Family Tax Benefit-A and extend eligibility over the forward estimates as follows: 1 July 2016 - Children in Family Tax Benefit A families (retain CDBS) 1 July 2017 - Add aged pension recipients and full benefit income support recipients 1 July 2018 - Add Commonwealth Seniors Card Holders and all other Concession Card holders Assume recuperation of all Commonwealth funding for the recently announced national Child and Adult Public Dental Scheme (caPDS)
What is the purpose or intention of the policy?	A dental benefits schedule accessible to more Australians that provides for adequate access to all routine and therapeutically necessary dental care; to make access to dental care as affordable and accessible as general primary health care for those who need it most.
What are the key assumptions that have been made in the policy, including:	
Is the policy part of a package? If yes, list the components and interactions with proposed or existing policies.	No

PBO Policy costing request—during the caretaker period for a general election

<p>Where relevant, is funding for the policy to be demand driven or a capped amount? If a capped amount, are the costs of administering the policy to be included within the capped amount or additional to the capped amount?</p>	<p>Demand driven, however benefits are capped per person over a 2-year period.</p>
<p>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?</p>	<p>We propose to keep the approximately \$300m annual funding going to public dental clinics reducing incrementally to 2018-19..</p>
<p>Are there associated savings, offsets or expenses? If yes, please provide details.</p>	<p>The costs to the public health system of untreated dental disease include over 60,000 potentially preventable hospitalisations per year. The cost savings have been estimated in hundreds of millions (Rogers, JG 2011, Evidence-based oral health promotion resource, Prevention and Population Health Branch, Department of Health, Melbourne).</p>
<p>Does the policy relate to a previous budget measure? If yes, which measure?</p>	<p>It builds on the dental reform package announced on 29 August 2012.</p>
<p>If the proposal would change an existing measure, are savings expected from the departmental costs of implementing the program?</p>	<p>N/A</p>
<p>Will the funding/program cost require indexation? If yes, list factors to be used.</p>	<p>No</p>

Expected impacts of the proposal				
If applicable, what are the estimated costs each year? If available, please provide details in the table below. Are these provided on an underlying cash balance or fiscal balance basis?				
Estimated financial implications (outturn prices)^(a)				
	2016–17	2017–18	2018–19	2019–20
Underlying cash balance (\$m)	-315	-1791.3	-2218.9	-2282.6
Fiscal balance (\$m)	-315	-1791.3	-2218.9	-2282.6
(a) A positive number for the fiscal balance indicates an increase in revenue or a decrease in expenses or net capital investment in accrual terms. A positive number in the underlying cash balance indicates an increase in revenue or a decrease in expenses or net capital investment in cash terms.				
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)?				
Has the policy been costed by a third party? If yes, can you provide a copy of this costing and its assumptions?	No			
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?	The policy will provide \$1000 over 2 years for access to essential and routine dental treatment to more Australians in need of this access. It will affect those in the categories to whom this benefit will be extended.			
Administration of policy:				
Who will administer the policy (for example, Australian Government entity, the States, non-government organisation, etc)?	Medicare and the Department of Health and Ageing			
Please specify whether any special administrative arrangements are proposed for the policy and whether these are expected to involve additional transactions/processing (by service delivery agencies).	Yes – assumption is that it is an incremental expansion of existing Medicare system.			
Intended date of implementation:	CDBS to continue in current form. New entitlements to commence as outlined in policy description			
Intended duration of policy:	Ongoing			

PBO Policy costing request—during the caretaker period for a general election

Are there transitional arrangements associated with policy implementation?	No
List major data sources utilised to develop policy (for example, ABS catalogue number 3201.0).	Statistical Paper No. 9, income support customers, (FAHCSIA). Other references include Final Report of the National Advisory Council on Dental Health; AIHW, Oral health and dental care in Australia: key facts and figures 2011.
Are there any other assumptions that need to be considered?	

NOTE:

Please note that:

The costing will be on the basis of information provided in this costing request.

The PBO is not bound to accept the assumptions provided by the requestor. If there is a material difference in the assumptions used by the PBO, the PBO will consult with the requestor in advance of the costing being completed.