



Reduce the minimum number of participants in group therapy	
Party:	Australian Greens
Summary of proposal: The proposal would improve the Better Access scheme by reducing the minimum number of participants in group psychological therapy sessions to four patients from the current requirement of six in accordance with recommendation 5 of the <i>Report from the Mental Health Reference Group</i> . It would also remove the current cap of 10 group therapy sessions a year and instead allow patients to access unlimited group therapy sessions. The proposal would be ongoing and start from 1 July 2022.	

## Costing overview

This proposal would be expected to decrease both the fiscal and underlying cash balances by around \$2.4 million over the Budget 2022-23 forward estimates period. This is predominantly driven by increases in administered expenses, while increases in departmental expenses are relatively small. The underlying cash balance impact differs slightly from the fiscal balance impact due to claims processing lags, which would see a proportion of claims processed in the following year after the service is provided and the expense is recorded. The difference is indiscernible after rounding.

The proposal would have an impact beyond the 2022-23 Budget forward estimates period. A breakdown of the financial implications (including separate PDI tables) over the period to 2032-33 is provided at Attachment A.

The financial implications of the proposal are sensitive to the assumptions on the uptake of additional psychological therapy sessions, the number of patients accessing the Better Access scheme and the Medicare Benefit Schedule (MBS) schedule fees.

The Parliamentary Budget Office (PBO) considered the broader effects, including the potential flow-on impacts on the public health system from this proposal, but has not included them in this costing, as these effects are highly uncertain.

**Table 1: Financial implications (\$m)<sup>(a)(b)</sup>**

	2022-23	2023-24	2024-25	2025-26	Total to 2025-26
Fiscal balance	-0.61	-0.61	-0.61	-0.61	<b>-2.44</b>
Underlying cash balance	-0.61	-0.61	-0.61	-0.61	<b>-2.44</b>

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) PDI impacts are not included in the totals.

## Key assumptions

The PBO has made the following assumptions in costing this proposal.

- Moving to unlimited group sessions from the current cap of 10 sessions would not attract additional GP reviews.
- Reducing the minimum participant requirement of six to four would increase demand for group sessions by one third.
- The number of patients accessing the Better Access scheme would grow in line with projections for Australia's population aged 16 and above.

## Methodology

The administered expenses were calculated by multiplying the average per group session cost observed in 2018-19 with the projected additional session volume.

- Projected additional MBS services account for anticipated increases in demand due to the proposed relaxation of the minimum participant requirement for group sessions and the proposed removal of the 10 session per year cap.

The departmental expenses were estimated based on the ratio of departmental to administered expenses assumed for the Budget measure.

Financial implications were rounded consistent with the PBO's rounding rules as outlined on the PBO Costings and budget information webpage.<sup>1</sup>

## Data sources

Department of Health (2018) [Report from the Mental Health Reference Group](#), Department of Health.

Economic parameters and population projections were provided by the Department of Finance and Treasury as at the *2022-23 Budget*.

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<sup>1</sup> [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Budget\\_Office/Costings\\_and\\_budget\\_information](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Costings_and_budget_information)

## Attachment A – Reduce the minimum number of participants in group therapy – financial implications

**Table A1: Reduce the minimum number of participants in group therapy – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
<b>Expenses</b>													
<i>Administered</i>	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.60	-0.70	-0.70	-0.70	-0.70	-2.40	-7.00
<i>Departmental</i>	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.01	-0.04	-0.11
<b>Total – expenses</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-2.44</b>	<b>-7.11</b>
<b>Total (excluding PDI)</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.61</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-0.71</b>	<b>-2.44</b>	<b>-7.11</b>

(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 negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

(b) Fiscal and underlying cash balances are slightly different but are identical at the rounded level.

**Table A3: Reduce the minimum number of participants in group therapy – Memorandum item: Public Debt Interest (PDI) impacts – Fiscal and underlying cash balances (\$m)<sup>(a)(b)</sup>**

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	Total to 2025-26	Total to 2032-33
<b>Fiscal balance</b>	..	..	..	-0.1	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	-0.1	-1.1
<b>Underlying cash balance</b>	..	..	..	..	-0.1	-0.1	-0.1	-0.1	-0.2	-0.2	-0.2	..	-1.0

(a) As this table is presented as a memorandum item, these figures are not reflected in the totals in the tables above. This is consistent with the approach taken in the budget where the budget impact of most measures is presented excluding the impact on PDI. If the reader would like a complete picture of the total aggregate, then these figures would need to be added to the figures above. For further information on government borrowing and financing please refer to the PBO's online budget glossary<sup>2</sup>.

(b) 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 negative number for the fiscal balance indicates a decrease in revenue or an increase in expenses or net capital investment in accrual terms. A positive number for the underlying cash balance indicates an increase in receipts or a decrease in payments or net capital investment in cash terms. A negative number for the underlying cash balance indicates a decrease in receipts or an increase in payments or net capital investment in cash terms.

.. Not zero but rounded to zero.

<sup>2</sup> [Online budget glossary – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au)