



Changes to the Practice Incentives Program – Indigenous Health Incentive

The Practice Incentives Program – Indigenous Health Incentive (PIP IHI) was introduced in March 2010 as part of the Indigenous Chronic Disease Package. The PIP IHI encourages general practices and Aboriginal Community Controlled Health Services to appropriately and effectively meet the health care needs of Aboriginal and Torres Strait Islander people with a chronic disease.

The Australian Government announced changes to the PIP IHI as part of the 2021-22 Budget following a national consultation process. The changes are intended to improve continuity of care and health outcomes for Aboriginal and Torres Strait Islander people with a chronic disease and streamline administrative requirements for practices.

From 1 January 2023, the following will change:

- Eligibility will be expanded to include children under the age of 15.
- GP Mental Health Care Plans (Medicare Benefits Schedule items 2700, 2701 and 2717) will be added as eligible items for the purposes of outcomes payments.
- The requirement to deliver a certain number of services in a calendar year will be replaced with a 12-month rolling window, starting from the date the first eligible service is delivered. This will give practices more time to deliver the services required to achieve outcomes payments.
- The program will start moving towards a back-ended payment structure. This means the majority of the payment will be provided after a threshold level of care has been provided. A transition period – where registration is gradually reduced, and the Tier 2 payment is gradually increased – will give practices time to adjust to this change. The transition period is as follows:

	Current structure	1 January 2023*	1 January 2024**	1 January 2025
Registration	\$250	\$150	\$100	\$0
Tier 1	\$100	\$100	\$100	\$100
Tier 2	\$150	\$150	\$200	\$300

* While the maximum amount payable per patient reduces from \$500 to \$400 from 1 January 2023, outcomes payments will become payable for eligible children under the age of 15.

** From 1 November 2024, practices will no longer need to re-register existing patients annually, with all new registrations from that date to become ongoing. Patients will still be able to withdraw their consent as per current arrangements. The practice sign-on payment of \$1,000 will remain unchanged.

The final payment structure will come into effect from 1 January 2025. For more information on the PIP IHI, visit: www.servicesaustralia.gov.au/pip

