MS AUSTRALIA'S RESPONSE TO THE 2025-26 FEDERAL BUDGET

IMPACT ON THE MS COMMUNITY

MS Australia has undertaken an analysis of the 2025-26 Budget to explore how it will impact the lives of people living with MS.

MS Australia welcomes the increased investment in this Budget in healthcare which includes expanding bulk billing, reducing the costs of PBS medicines, 50 new Medicare Urgent Care Clinics and improving access to Medicare-eligible MRI services. Women make up three-quarters of people living with MS, so we welcome the strong investment in this Budget in a range of women's health measures. There is also funding in disability, mental health, aged care, energy concessions, housing and nursing.

There were missed opportunities in this Budget with a lack of funding for health and medical research, no real increase in income support and a lack of direction on foundational disability supports and the outcomes of the Disability Royal Commission.

RESEARCH

Great progress has been made in MS over the past 25 years, with the development of numerous targeted MS therapies where previously none existed. Despite the incredible progress made, MS remains a serious burden on people's quality of life and on the economy. It is estimated that MS costs the Australian economy more than \$2.5 billion a year. The great unmet need in MS is to prevent, halt and reverse neurological damage and disability. This can only be done with continued investment in health and medical research.

MS Australia is a member of the Neurological Alliance Australia (NAA), a collective of not-for-profit peak or national patient organisations representing adults and children living with neurological or neuromuscular conditions or neurological disorders in Australia. The vision of the NAA is a world where these conditions are preventable, detectable, manageable, and curable, and we believe this is within reach. But to get there, we urgently need more research investment.

The 2025-26 Budget did not include any significant investments in health and medical research. MRFF allocations remain at \$650m per annum to 2028-despite the Future Fund's Board of Guardians advising there is \$1.05 bn available for medical research in 2025-26. NHMRC grant funding will increase by \$60,000 over four years, which is a decrease in real terms. There was an allocation of **\$7.8 million** (announced in 2024-25) for increased operational costs for the NHMRC. This lack of funding will have a significant impact on people living with MS and other neurological and neuromuscular conditions and delay the opportunity to develop new therapies, diagnostic tools and pathways to cure and prevention.

MS Australia will continue to call for increased investment in health and medical research, including the funding for a dedicated Neurological and Neuromuscular Health Research Mission within the Medical Research Future Fund (MRFF). This Mission would:

• Foster coordinated efforts across neurological, neuromuscular, and other diseases, leveraging existing investments for greater impact



- Unite and spearhead efforts across previously siloed initiatives, energising collaboration and data sharing for real, lasting change
- Build on the foundations of other MRFF-funded Missions and important neurological disease research investments
- Include rare neurological and neuromuscular diseases to drive impact by enabling crosscondition approaches that ensure underfunded areas receive the attention they deserve

HEALTHCARE

People living with MS rely on a well-funded and inclusive healthcare system. The following key healthcare measures from the Budget hold significant importance for people living with MS.

Bulk Billing

The Government has allocated **\$8.4 billion over five years** from 2024–25 (and \$2.5 billion annually ongoing) to expand bulk billing. This includes incentives for practices that bulk bill every visit under Medicare. By 2030, 9 out of 10 GP visits are expected to be bulk billed. Improved access to bulk billing will reduce out-of-pocket costs, making primary healthcare more accessible for people living with MS.

Women's Health

A total of \$792.9 million has been allocated for women's health initiatives, including:

- Increased Medicare support for long-acting reversible contraception, support for endometriosis and pelvic pain and treatments for perimenopause and menopause
- New and amended PBS listings, including oral contraceptives, menopause treatments and endometriosis medications

Access to affordable medications regarding sexual and reproductive health is crucial for women living with MS, who face increased living costs due to the expenses of managing MS and its related symptoms. These measures address key health issues that overlap with the needs of women living with MS.

Medicines

A commitment of **\$784.6 million over four years** from 2025–26 will lower the PBS general patient copayment. From 1 January 2026, the maximum cost of a PBS prescription for people without a Commonwealth concession card will be cut from \$31.60 to \$25.

Other Relevant Healthcare Measures

Additional healthcare measures that will reduce costs and improve access to healthcare for people living with MS include:

- **Urgent Care Clinics**: \$657.9 million will expand the Medicare Urgent Care Clinics Program with 50 additional clinics, improving access to urgent care for non-life-threatening conditions
- MRI Access: \$17.3 million over three years will fund affordable Medicare-eligible MRI services at underserved metropolitan locations, benefiting people with MS who require regular MRI monitoring
- **Public Dental Services**: \$107.8 million will extend funding for public dental services for eligible adults, an important support for overall health
- **Nicotine and Smoking Cessation**: \$1.5 million will extend the Quit Centre initiative, promoting healthier lifestyles for people living with MS
- National Health Reform Agreement (NHRA): \$33.9 billion, including \$1.8 billion as a one-off funding boost, will support public hospitals and health services, ensuring continued access to essential healthcare



DISABILITY

NDIS

One in three Australians living with MS are NDIS recipients and rely on the essential services and supports that the NDIS provides to meet their disability needs, maintain independence and be an active and engaged member of their community.

MS Australia welcomes the allocation of **\$175.4 million over four years** to further safeguard the integrity of the NDIS. Detecting and responding to fraud and non-compliance payments and improving the NDIS Appeals Program will lead to improved NDIS services and outcomes for people with disability.

MS Australia will continue to advocate for improvements to the NDIS, including:

- A flexible, participant-focused and sustainable pricing model for the NDIS that reflects real costs and encourages innovation and quality service delivery
- An appropriately trained, disability-aware NDIA workforce, including skilled assessors and navigators, staff with lived experience and an improved understanding of consent, decisionmaking and choice and person-centred planning
- Implementing the recommendations of the NDIS Review and Disability Royal Commission

Foundational Supports

The Government has allocated **\$364.5 million over five years** to redesign the Information, Linkages and Capacity Building (ILC) program, as a step toward delivering foundational supports. These supports are vital for the people living with MS who are not eligible for the NDIS but still require community-based supports, information and advice, advocacy and family and carer support. These supports are crucial to the new unified ecosystem of supports for people with disability that are at the core of the NDIS Review recommendations.

MS Australia is concerned that there continues to be a lack of clarity on how and when foundational supports will be implemented and whether all states and territories are committed to co-funding and delivering these supports. The Government is committed to reducing the costs of the NDIS without an established alternative in place for people with disability.

Disability Royal Commission

The Disability Royal Commission represents a landmark in addressing the structural and systemic changes needed across Australian society to end the abuse, exploitation and neglect of people with disability. There is no mention of the Royal Commission in the 2025-26 Budget, including no allocation of funds or actions to implement the Commission's 222 recommendations. Urgent action must commence on this work, including a focus on these foundational recommendations:

- The establishment of a Disability Rights Act
- Reforming and strengthening the Disability Discrimination Act
- Appointing a Minister for Disability Inclusion

All of the reforms across the disability sector must be underpinned by co-design and clear communication, as well as by incorporating lived experience into the reform workforce. MS Australia calls for increased funding to support these processes and to allow adequate time, resources and engagement.

Accessibility

Accessibility to public spaces is an ongoing issue for people with disability and can limit their ability to engage in their community, experience outdoor activities and socialise with family and friends.



MS Australia welcomes the investment of \$17.1 million over four years from 2024-25 to establish the Accessible Australia initiative, to increase accessibility in community spaces across Australia through accessible infrastructure projects at national parks, beaches, and play spaces, as well as fixed and portable Changing Places facilities to enable increased participation. MS Australia calls on the Government to remain committed to increasing and expanding accessibility in public spaces for all Australians.

Mental Health

Many people living with MS experience poor mental health, including depression and anxiety. Access to mental health supports is crucial to improving their mental and physical wellbeing. The Government has continued funding of digital mental health services through additional funding of **\$46.0 million over four years from 2024-25**.

AGED CARE

Many older Australians living with MS must pursue their disability needs through the aged care system. The Government has committed **\$291.6 million over five years from 2024-25** (and an additional \$12.7 million in 2029-30) to continue the delivery of aged care reforms and the implementation of recommendations from the Royal Commission into Aged Care Quality and Safety. This funding is a continuation of funding announced in the 2024-25 Budget.

MS Australia continues to call on the Government to ensure that the aged care system meets the needs of older people with disability. Reforming the aged care system to meet the needs of people living with disability needs to be met with appropriate funding to redesign services, capacity-build providers, train staff, and update policies and procedures. Funding is also needed to fill the gap between aged care funding and NDIS funding.

Aged care workers are crucial to the delivery of high-quality, person-centred aged care. The Government has committed **\$88.3 million over five years from 2024–25** (and \$0.9 million per year ongoing) to fund the outcome of the Fair Work Commission's decision to increase the minimum award wages of registered and enrolled nurses employed in the aged care sector. Most of this funding is a continuation of funding announced in the 2024-25 Budget. These also include **\$30.1 million over five years** from 2024-25 to index CHSP funding agreements and **\$2.5 billion over five years** from 2024-25 to index residential and home care funding to meet these wage increases.

SOCIAL AND ECONOMIC SUPPORT

Energy Concessions

MS Australia welcomes the Budget's allocation of \$1.8 billion over two years to extend energy bill rebates of \$75 per quarter for eligible households and small businesses until December 2025. As highlighted in our submissions to the Senate inquiries into the Extent and Nature of Poverty and the Cost of Living, people living with MS often face elevated energy costs. Approximately 90% of people with MS experience heat intolerance, leading to increased reliance on air conditioning and resulting in energy usage up to 15 times higher than that of the average household. This heightened energy consumption, coupled with rising energy prices, imposes significant financial strain on individuals with MS and their families.

Tax Cuts

The 2025-2026 Federal Budget introduces personal income tax cuts, reducing the lowest marginal tax rate from 16% to 15% on 1 July 2026, and further to 14% on 1 July 2027. A worker earning an average income will receive a tax cut of \$268 in 2026-27 and \$536 annually starting from 2027-28, compared to the tax settings in 2024-25. These reductions will provide modest financial relief to individuals, including those living with MS, who often face increased living expenses due to the costs associated with managing their condition.



Housing

The Government have committed **\$8.9 million over three years** from 2025-26 to improve and expand support services for vulnerable Australians, including people experiencing housing insecurity and family, domestic and sexual violence. While safe, secure, and affordable housing is a central focus, the critical element of accessibility is notably absent. Housing cannot truly be considered safe or secure for people with disabilities unless it is accessible. This oversight exacerbates the risks of homelessness and housing insecurity faced by people with disabilities, who are once again overlooked in these measures.

Income Support

MS Australia is deeply concerned that the Budget does not include any real increases to income support payments such as the Disability Support Pension (DSP) or JobSeeker. This omission leaves many individuals living with MS in a precarious financial position.

As highlighted in our submissions to the Senate inquiries into the Extent and Nature of Poverty and the Cost of Living, many people with MS depend on the DSP or JobSeeker as their primary source of income. The current payment rates are insufficient to cover the full costs associated with living with MS, leading to significant economic hardship and adversely affecting their health and wellbeing.

The <u>Economic Inclusion Advisory Committee's 2025 report</u> recommended increasing JobSeeker and related payments to enhance economic inclusion and alleviate poverty. However, these recommendations have not been adopted in the current Budget.

We urge the Government to reconsider these critical recommendations and implement measures that provide adequate financial support to individuals living with MS and other disabilities, ensuring they can live with dignity and maintain their health and well-being.

Climate Resilience and Disaster Response

MS Australia is concerned about the lack of measures in the Budget to include people with disabilities in climate resilience and disaster response strategies, despite repeated recommendations from the Disability Royal Commission.

Climate events such as heat waves have a profound impact on people living with MS, as 60-80% experience temperature sensitivity that exacerbates neurological symptoms. Access to critical supports, such as air conditioning and cooling vests, can mitigate these effects but often requires financial assistance. The lack of prioritisation of disability-inclusive disaster preparedness, response, and recovery strategies continues to place lives at risk. Addressing these needs is not only vital for the safety and wellbeing of people with disabilities but also enhances the effectiveness of emergency services and strengthens community resilience.

NURSING

MS Nurses and MS Nurse Practitioners are an integral part of the multidisciplinary healthcare team of specialist healthcare professionals providing support, education, advice, and care for people with MS and their families and carers. Providing support for training and upskilling is crucial to increasing the number of people entering the nursing profession and existing nurses upgrading to become nurse practitioners. MS Australia welcomes investments in this Budget that will increase the number of nurses and nurse practitioners, including:

- **\$28.0 million over three years** from 2025–26 to support the construction of the Nursing and Midwifery Academy in Victoria, to be operated by the Epworth Medical Foundation
- \$10.5 million over two years from 2025-26 to expand the Primary Care Nursing and Midwifery Scholarship Program to deliver an additional 100 graduate certificate/diploma scholarships and 100 masters scholarships per year to support nurses and midwives to undertake post-graduate study

MS Australia will continue to advocate for increased funding for MS Nurses to ensure that all Australians living with MS have access to an MS Nurse.

