



# Ongoing Funding for the Medicare Urgent Care Clinics Program - 2025 Impact Analysis

Department of Health, Disability and Aged Care

## The policy problem and preferred policy approach

- Public hospital emergency departments (EDs) across Australia are facing growing pressure due to an increase in presentations. This surge has led to longer wait times in some regions, particularly for patients with semi-urgent and non-urgent presentations at EDs.
- Recent declines in GP bulk billing rates and GP services have made it more difficult for many patients to access affordable, timely, face-to-face GP care in the community. In some areas, this has caused patients to visit EDs for affordable access to non-urgent care.
- Medicare Urgent Care Clinics (UCCs) opened from June 2023 to improve local access to urgent care and reduce low-acuity presentations in public hospital EDs, allowing EDs to focus on life-threatening cases.
- Current funding arrangements for 84 existing Medicare Urgent Care Clinics (UCCs) are due to expire from 30 June 2026. Funding for 3 existing clinics and 50 new clinics to be established in 2025-26 expire on 30 June 2028.
- Option 2 is considered the most effective solution by providing ongoing funding for Medicare UCCs, easing the pressure on our hospitals and giving families more options to see a health care professional when they have an urgent, but not life threatening, need for care.

## Impact Analysis

### Impacts

- The [Medicare Urgent Care Clinics Program Evaluation: First Interim Report](#) (Interim Evaluation Report) found a median patient wait time at Medicare UCCs of 14.5 minutes (from 30 June 2023 to 30 September 2024). This was shorter than the median waiting times at EDs for triage categories 4 (semi-urgent) which is 31 minutes, and category 5 (non-urgent) which is 24 minutes, noting that these waiting times are not directly comparable.<sup>1</sup>
- Ongoing funding for Medicare UCCs will help ensure a consistent predictable model of urgent care regardless of jurisdiction.
- Existing Medicare UCC providers will benefit from more predictable funding for participation in the program. The surrounding community will benefit from local infrastructure and maintaining job opportunities.
- The Interim Evaluation Report, estimated as at 30 September 2024, 334,000 presentations to partner hospital EDs would have been avoided annually due to the availability of Medicare UCCs. Medicare UCC presentations that otherwise would have gone to the ED cost \$248, compared to the cost of an ED visit of around \$616.<sup>2</sup> This equates to over **\$122 million** savings annually.<sup>3</sup>

### Who is impacted

Individuals	Businesses	Community organisations
There are no regulatory impacts on individuals.	The average regulatory costs associated with funding agreements with PHNs and State and Territory Governments per year is <b>\$661,592</b> per year (in total across all Medicare UCC Commissioners).	There are no regulatory impacts on community organisations.

<sup>1</sup> [Medicare Urgent Care Clinics Program Evaluation: First Interim Report](#). (2025). In *Department of Health, Disability and Ageing*. Retrieved September 12, 2025.  
<sup>2</sup> [Medicare Urgent Care Clinics Program Evaluation: First Interim Report](#). (2025). In *Department of Health, Disability and Ageing*. Retrieved September 12, 2025.  
<sup>3</sup> [Medicare Urgent Care Clinics Program Evaluation: First Interim Report](#). (2025). In *Department of Health, Disability and Ageing*. Retrieved September 12, 2025.



## Other considerations and implementation

The other policy option considered was to keep the status quo, which would result in existing clinics to close or commence charging patients out-of-pocket costs, also creating uncertainty for the sector and jeopardising access to urgent and timely care for all Australians. This option fails to address the current problems of increased ED presentations which provides much lower net benefit than the preferred policy response.

The preferred policy will be implemented following a Government decision, by the Department of Health, Disability and Ageing with ongoing engagement with sector stakeholders.