QON No. 34

Legislative Assembly for the Australian Capital Territory

Select Committee on the Fiscal Sustainability of the ACT

Inquiry into the Fiscal Sustainability of the ACT

Answer to question on notice

Asked by: Ms Jo Clay MLA

Addressed to: Treasurer

Redirected to: Minister for Health

Reference: Preventative health care

Hearing: 2 June 2026
In relation to: Preventative health care
Question received: 6 June 2026
Answer Due: 15 July 2026

The Eslake report, several witnesses and the health minister have acknowledged that the ACT Government may be spending more on acute health services because it is not investing enough in preventative measures.

1. According to the Public Health Association of Australia, every $1 invested in prevention returns up to $14 in health and economic benefits, mostly from reduced hospital demand. Does ACT Government accept this return on investment metric and if not, what is the return on investment metric the ACT Government uses?

2. In response to a question on notice, the health minister advised that ACT Government spent an average of $122M per annum on preventative health over the last five years against an overall annual spend of $2.9B, which is about 4% of our health spend on preventative health. Does Government think increased investment in preventative health care would reduce the need for acute health care?

3. In response to Question on notice 19, the health minister advised that the ACT Government has not costed the impact on our acute health care system from homelessness, poor or late access to public housing, loneliness, lack of access to healthy food, lack of access to reliable food or lack of access to preventative health care. The national costs across Australia from 20 potentially avoidable risk factors is $38 billion. Will Treasury or another area of ACT Government undertake any modelling to determine the impact on ACT acute health costs from lack of preventative health care or modifiable risk factors including those listed above?

4. The community is aware of several preventative health care initiatives that have not received funding or have not been delivered including a freestanding or standalone birth centre, greater access to midwife-led continuity of care, funding for Winnunga in line with Winnunga's submitted needs and funding for Yerrabi Yurwang health centre.

a. What modelling did ACT Government use when making budget decisions to not fund these items or not to fund them to the level that was sought?

b. What other preventative health care initiatives have been presented to or considered by ACT Government that have failed to proceed in the last two years?

5. Can you advise on the delivery status of each of these preventative health care measures in the previous supply and confidence agreement with the Greens?

a. expanding access to midwifery continuity of care for pregnant people (noting that in QON 77 said 23.4% of women and birthing people in 2024 had access to continuity of care, a recent question on notice says that rate has fallen to 20%, and the Government's Maternity in Focus strategy has a commitment of getting to 50% by 2028).

b. Completing work to determine a model for a freestanding birth centre as part of, or complementary to, the new Northside hospital, (noting that documents I received under FOI and recent consultations indicate that there will be no birth centre outside of the hospital and the new Northside hospital will simply reproduce the 6 birth suite and 2 birth centre beds that are in the current hospital);

c. Co-designing a neurodivergence model of care;

d. Establishing a mechanism for people without private health insurance to not incur an ambulance service emergency call-out fee;

e. Delivering a co-designed consumer-centred mental health services plan.

Ms Rachel Stephen-Smith MLA: The answer to the Member's question is as follows:

1. For general understanding of the response overall, preventive health activities are initiatives or actions taken at a population level to keep people healthy and well through all stages of life, and prevent or avoid risk of poor health, illness, injury and early death.

   Preventive health initiatives should not be confused with early intervention or primary care programs which are focused on individual patient care, rather than population level interventions.

   Types of activities that support prevention of poor health include (but are not limited to):

   - programs aimed at altering the ACT environment to promote the health of the population, such as ensuring access to green spaces;
   - preventive and health promotion programs, and settings-based behaviour change
   - interventions, such as immunisation, and school-based promotion programs;
   - monitoring and responding to communicable disease threats;
   - harm minimisation programs, including for smoking, alcohol, other drug and sexually transmissible infection; and
   - prevention of public health risks through regulation, such as food and medication safety.

2. As preventive health activities are aimed at keeping people healthy and reducing poor health outcomes, it is widely recognised that investment in evidence-based preventive health programs reduces the burden on primary care and acute health settings. Direct impacts on health systems from prevention activities can be hard to measure, as it is difficult to determine the number people who do not get sick, or require health care because a prevention intervention. In 2024, it was estimated that approximately 36 per cent of the total burden of disease in Australia (including chronic disease and injury) could have been prevented by addressing modifiable risk factors. Poor health caused by chronic conditions has the greatest direct impact on healthcare costs, quality of life and wellbeing of our community.

3. Please refer to the response to question 2. In addition, it should be noted that the identified modifiable risk factors often interact and compound one another. It would therefore be a technically complex piece of work to estimate the impact of one particular factor, or set of factors, on the costs of delivering acute health care in the ACT. Given the existing evidence base and the wellbeing approach already taken in developing the ACT Budget, it is not clear that this academic exercise would be a good use of ACT Government resources. The ACT Government regularly evaluates programs and initiatives aimed at reducing the prevalence or impact of modifiable risk factors to understand their cost-effectiveness.

4. a and b

   None of the initiatives identified meet the definition of preventive health care in and of themselves – although midwives and Aboriginal Community Controlled Health Organisations deliver care that would be classified as primary prevention (e.g. vaccination) and secondary prevention (e.g. support for birthing people with gestational diabetes and chronic disease management).

   Funding decisions relating to Winnunga Nimmityjah Aboriginal Health and Community Services (Winnunga) and Yerrabi Yurwang Child and Family Aboriginal Corporation (Yerrabi) were not based on a single modelling exercise. Funding decisions are informed by a range of considerations, including community need, service demand, expected health outcomes, evidence of effectiveness, implementation readiness, affordability, and alignment with Government priorities.

   In relation to Winnunga, the ACT Government has committed significant investment towards redevelopment of the Watson Health Precinct, including the new Alcohol and Other Drug service, together with funding to support preparatory activities and early operations. Recognising the importance of establishing a sustainable operating model for the service, the ACT Government is continuing to work with Winnunga, the Australian Government and other relevant stakeholders to explore longer-term funding arrangements. Decisions regarding any additional ACT Government funding are considered through the annual Budget process alongside competing priorities across the health system.

   In relation to Yerrabi Yurwang, a key consideration is the broader funding framework for Aboriginal Community Controlled primary healthcare. Sustainable operation of Aboriginal Community Controlled Health Organisations commonly relies on a blended funding model, including Commonwealth funding through the Indigenous Australians' Health Programme (IAHP) and access to Medicare Benefits Schedule revenue through a Section 19(2) Direction.

The ACT Government has continued to advocate to the Commonwealth regarding funding barriers affecting Aboriginal Community Controlled primary healthcare services in the ACT.

5.

a) The ACT Government remains committed to expanding access to Midwifery Continuity of Care (MCoC) through the Maternity in Focus (MiF) Strategy, which includes a target of 50 per cent of women and birthing people having access to continuity of care by 2028. It should be noted that 50 per cent of pregnant people having access to continuity of care does not mean that 50 per cent of births will occur through the continuity program, which is how access is currently measured.

The ACT Government has committed $626,000 over four years through HCSD Budget Initiative E04 – Delivering public maternity reform including implementation of Maternity in Focus: Second Action Plan 2026-29, which includes investment in workforce scholarships and professional development opportunities to increase the number of midwives able to work in continuity of care models.

The ACT Government is also developing an ACT Midwifery Workforce Plan to support workforce attraction, retention, capability development and career progression, recognising that workforce capacity is critical to expanding continuity of care services.

b) The Government has explored options for a stand-alongside or a stand-alone birth centre as part of the planning and design of the Northside Hospital Project.

The feasibility study completed in October 2024 identified that a stand-alone birth centre on the hospital campus would need to be able to transfer patients to the main hospital without an ambulance. This has meant the completely stand-alone option was not likely to be feasible as part of Stage 1 of the Northside Hospital Project.

A stand alongside option that could be delivered in Stage 1 of the Northside Hospital project is proposed to be located at Ground level on the 1st floor Northeastern wing with its own parking, dedicated entry, outdoor courtyards, and support space. The main maternity inpatient area and birth suites is proposed to be located on the 5th floor Southwestern wing. It should be noted that while “stand alongside” was used in the feasibility study to describe the current model in Canberra Hospital and North Canberra Hospital, this proposal would be substantially different, providing a separate entry to a more home-like environment. This is substantially similar to Birth Centre model at the Townsville University Hospital that was given as an example of positive practice in the initial debate on this matter.

A stand-alone Birth Centre could be delivered in Stage 2 of the new Northside Hospital, following demolition of existing buildings.

The Clinical Services Plan for Northside Hospital Project projects demand for six birth suites by 2031 and 8 birth suites by 2041. The proposal for the Northside Hospital Project is for two of the eight birthing places to be located in the Birth Centre. However, stakeholders have provided feedback that two Birth Centre beds may not be sufficient and this feedback is being considered as detailed design progresses.

Further consultation will continue to be undertaken throughout detailed design in 2026.

c) ACT Government is continuing discussions regarding this commitment.

d) Work to date has involved reviewing options and potential impacts of such a mechanism. Considerations include how the material funding shortfall from removing ambulance fees for the uninsured could be managed and how such a change might impact demand for the service. It is also important to note that there are existing exemptions for people on lower incomes, such as pensioners and Department of Veterans' Affairs (DVA) cardholders. The ACT Ambulance Service also allows for community members facing financial hardship to apply for assistance in the form of payment plans or exemption applications.

e) Drafting of the Mental Health Services Plan has commenced, with work progressing collaboratively across government and sector stakeholders. The ACT Government is on track to deliver the Mental Health Services Plan by the end of 2026.

Approved for circulation to the Select Committee on the Fiscal Sustainability of the ACT.

Signature:  Date: 29/7/26

By the Minister for Health, Ms Rachel Stephen-Smith MLA