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AAPP welcomes five-year Pathology Funding Agreement

The Australian Association of Pathology Practices (AAPP) has welcomed the announcement of a five-year Pathology Funding Agreement (PFA) between the Australian Government and the AAPP, the Royal College of Pathologists of Australasia (RCPA) and the National Coalition of Public Pathology (NCOPP).

Professor Katherine McGrath, CEO of the AAPP, said the Agreement provided much needed stability and predictability for the Australian private pathology industry. "The funding agreement is an important means of underpinning the pathology industry and encouraging ongoing investment in infrastructure, equipment and staff, all of which are prerequisites for the high quality diagnostic industry we have in Australia".

Professor McGrath said the Agreement provided for just under 5% per annum growth in industry-wide pathology funding outlays over its five-year term. She said an important element of the Agreement is the assurance that the Australian community and healthcare sector will continue to enjoy access to affordable, high quality pathology services.

"Demand for pathology services would normally increase as the population grows and ages. This Agreement delivers savings to the Government over the forward budget estimates because it places a reasonable cap on funding growth," Professor McGrath said.

"The pathology sector will work with the Government to ensure that growth in demand for pathology services aligns with the agreed growth in funding. This will be similar to the processes that worked so well under previous long-standing MoU arrangements. Under those arrangements, funding costs to Government were contained, without compromising pathology service standards. Australian private pathology remains a highly competitive sector, with quality and services widely recognised as being at world-best standard level. "

Professor McGrath said the Pathology Funding Agreement had received widespread support from within the pathology profession. In addition to its financial aspects, the Agreement provides the framework for ongoing collaboration between the sector and Government, which will serve to ensure a better understanding of the challenges and opportunities involving the pathology sector into the future.

"The sector looks forward to working with the Government, the Minister and the Department of Health and Ageing in a spirit of cooperation and in the best interests of all pathology stakeholders," Professor McGrath said.

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