

Healthscope

'FOR PURPOSE' PROPOSAL

AND SALARY PACKAGING EXPLAINER

SEPTEMBER 2025

What is Healthscope proposing?

In response to the receivership/administration and expected sale of Healthscope, its current executive leadership team led by CEO, Tino La Spina, is spearheading a bid to 'buy' the existing business and operate it as a not-for-profit entity, which they refer to as their 'For Purpose' proposal.

Healthscope's 'For Purpose' proposal is being put forward to lenders, which currently have control over Healthscope's parent companies during the receivership.

Healthscope says its proposal, if successful, would mean it would continue to operate as a private hospital operator, but would reinvest all surpluses into the business and support philanthropic and charitable works in Australia's health system.

What needs to happen for the 'For Purpose' proposal to have prospects of success?

To succeed, Healthscope will need to apply to the Australian Charities and Not-for-profits Commission (ACNC) and the Australian Taxation Office (ATO) for charitable and not-for-profit status respectively. It is not certain that it will satisfy the necessary criteria to receive regulatory approval.

Healthscope will also need to satisfy lenders that its 'For Purpose' proposal is financially viable, and likely to result in the repayment of debts and/or a return on investments.

Has Healthscope approached the union to support its 'For Purpose' proposal?

Yes. Healthscope has reached out to the ANMF to ask for support for their proposal.

Any decision around supporting this proposal would of course be made by members, but at this point Healthscope executives have not provided enough detail on what the structure would look like.

What is salary packaging, and why is Healthscope telling me about it?

You can access a useful, easy to understand explainer of salary packaging on the ATO's website.

Healthscope is asking you to support a variation to your enterprise agreement to include a clause providing for salary packaging. It's worth noting that a clause that provides for the introduction of salary packaging already exists in your agreement

Healthscope says that voting 'Yes' to this clause is important to 'convince lenders that the proposal is viable'. It's unclear exactly why a new salary packaging clause is important to the 'For Purpose' proposal.

Healthscope also says it wants to claim 90% of the Fringe Benefits Tax refund that they would receive for themselves and pass on only 10% to you if you decide to salary package.

Should union members support Healthscope's salary packaging proposal?

Your union leaders remain open to discussions with Healthscope, but to date Healthscope management has not provided sufficient detail to make appropriate assessments of their proposals.

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How will this impact our ongoing efforts to secure pay and entitlements through the Fair Work Commission?

At this stage, we are continuing our proceedings in the Fair Work Commission (FWC). Your union and Healthscope will make submissions in the coming weeks, and a hearing in the FWC is set for 28 November. The Commission will then decide your pay and entitlements.

It's also important to note that for now Healthscope has only discussed a vote on this single clause variation, rather than your whole NSW agreement.

What happens if Healthscope's 'For Purpose' plan is unsuccessful?

If Healthscope is not successful in winning the necessary regulatory approvals and support from lenders, it is not clear what will happen.

Media reporting of the sale process has indicated that there are several buyers interested in Healthscope hospitals. Whether those hospitals are bought in their entirety, in groups, or individually is not yet certain. There is a possibility that some hospitals will not be bought, and that in turn may or may not lead to them being closed.

In the worst-case scenario of a hospital or hospitals closing, your union is working to secure your pay and entitlements, and government support for employees impacted by any closures.

What else can we do?

It is important that union members stay informed about what's happening by attending union meetings and sharing up-to-date and correct information with each other.

Your union team is committed to supporting members through direct negotiations with Healthscope, and the proceedings in the FWC. ANMF leadership is also heavily involved in lobbying federal and state governments to intervene to support jobs and the delivery of patient care to the community.

Make sure you continue to keep an eye on union communications via email and SMS. You can also check our dedicated Healthscope webpage: nswnma.info/healthscope.

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OF THE NSWNMA?**

www.nswnma.asn.au

Being part of the Association means we have more collective power to deliver positive change on pay and conditions at your work.
Join us today and together, we can make our future stronger.

Authorised by S.Candish, General Secretary, NSWNMA and Branch Secretary, ANMF NSW Branch

