

A U S T R A L I A N

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AMA

The heat is on

Govt under pressure after Labor pledges to unfreeze Medicare rebate, p3



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A U S T R A L I A N
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AMA LEADERSHIP TEAM



President
Professor Brian
Owler



Vice President
Dr Stephen Parnis

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Cover: AMA President Professor Brian Owler launches the AMA's #nomedicarefreeze campaign

Labor's antifreeze policy puts heat on Coalition

Main points

- Labor promises to resume Medicare rebate indexation
- Policy to cost \$12.2 billion over 10 years
- Welcomed by AMA as a win for patients

Labor has pledged to resume indexation of the Medicare patient rebate from 1 January next year if it wins the Federal Election, in a \$12 billion commitment hailed as a big win for patients.

Seeking to outflank the Coalition on health, Opposition leader Bill Shorten has announced that a Labor Government would lift the Medicare rebate freeze and reinstate indexation, at a cost of \$2.4 billion over four years and \$12.2 billion over a decade.

The announcement came just days after the AMA launched a national campaign against the freeze, warning it would force many GPs to abandon bulk billing and begin charging patients up to \$20 or more per visit.

"Nobody wants to head down the same path as America when it comes to our health system," Mr Shorten said. "We will reverse Mr Turnbull's cuts, which will reduce bulk billing and hit Australian families every time they visit the doctor."

AMA President Professor Brian Owler said Labor's announcement established a "real difference" between the major parties on health policy.

"Labor's promise to lift the Medicare rebate freeze will be welcomed by doctors – GPs and other specialists – and patients across the country," Professor Owler said. "Patients are the big winners from this announcement, especially working families with a few kids, the elderly, the chronically ill, and the most vulnerable in the community."

In its Budget unveiled earlier this month, the Government announced that it would save \$925 million by extending the Medicare rebate freeze, already in place from 2014 to 2018, through to 2020.

Medicare rebates were first frozen by Labor in November 2013 for eight months, but they have since been extended twice by the Coalition Government after failing in its attempts to introduce a patient co-payment.

Professor Owler said the freeze amounted to a "co-payment by stealth" by forcing medical practices to dump bulk billing and begin charging patients if they were to remain financially viable.

He said GPs have done their best to shelter patients from the impact of the freeze, but the decision to extend it to 2020 would push many medical practices over the edge.

"Many GPs are now at a tipping point. With the freeze stretching out for seven years, they have no choice but to pass on the increased costs of running their practices to patients," the AMA President said. "The Medicare rebate freeze is bad policy, and it should be scrapped."

Bulk billing climbs

Last week, Health Minister Sussan Ley trumpeted official figures showing the GP bulk billing rate climbed to 84.8 per cent between July last year and March this year to argue that the Government was investing heavily in Medicare.

But Professor Owler said that the Government's Budget decision to hold Medicare rebates down for a further two years was causing medical practices across the country to reconsider their finances and billing arrangements.

"The extension of the freeze for another two years under the last Budget has prompted many doctors now to contact the AMA requesting our help to transition them from bulk billing practices to ones that charge a fee," he told Sky News. "Unless the freeze is lifted, I think we are going to see more costs being passed on to patients and so that's why Labour's announcement today is indeed very welcome by GPs but I think also by patients around the country."

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Labor’s antifreeze policy puts heat on Coalition

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Labor’s promise has been costed by the Parliamentary Budget Office, and Opposition said it would be paid for by scrapping the \$1000 bonus for single-income families with a child younger than one year, (saving \$1.4 billion over 10 years), capping vocational education loans at \$8000 (\$6 billion over 10 years) and axing business tax cuts, saving more than \$4.7 billion over four years (Labor would retain some relief for businesses with a turnover of less than \$2 million).

The funding arrangement means Labor will be able to campaign on the claim that it is putting access to primary health care before tax cuts for business.

“This is about choices,” Shaodw Health Minster Catherine King said on ABC Radio. “People get sick. We want people to go to what is in fact, the cheapest and most efficient part of our system, your GP, to stay well, to manage your chronic conditions, manage episodic illness, because if we don’t do that, people end up in the more expensive part of the system, the acute

system where we are again, facing increasing demand.”

Ms King said that by reducing the barriers to people seeing their GP, the policy would help contain the growth in health costs.

“What we want to be able to do is actually have as many people going to your general practitioner because it is our cheapest part of the system, frankly. It’s the most efficient part of the system,” she said. “We want people to go for prevention. We want people to go and get advice about how do you manage obesity, if you find that you’ve got heart disease in the family, we want them to go and use the Medicare system to stay well and that is how you contain costs in the more expensive part of the system, our hospital system, by actually keeping people well.”

But Labor has so far resisted calls to reinstate bulk billing incentives for pathology and diagnostic imaging services.

ADRIAN ROLLINS

Tax cuts compensate for freeze: Govt

Any hit to doctor incomes from the Medicare rebate freeze will be offset by cuts in the company tax rate, according to the Federal Government.

Resisting calls to match Labor’s commitment to reinstatement Medicare rebate indexation from 1 January next year, Coalition MPs have instead argued that doctors and medical practices will benefit from company tax cuts detailed in the Budget.

“One thing that I’m pleased about is that the many medical practitioners who are out there, on the first of July, they will get a company tax cut, those who are operating in those structures, but also those who are in unincorporated structures,” Treasurer Scott Morrison said.

The Treasurer’s claim was echoed by Health Minister Sussan Ley, who said that, “many GPs are also small business owners and employers, and the Coalition’s 10-year enterprise tax plan will benefit them directly”.

The changes include a 1 percentage point cut in the tax rate for companies with an annual turnover of less than \$10 million down to 27.5 per cent, and expanded tax discounts worth 8 per cent of personal taxable income, capped at \$1000, for unincorporated businesses with a turnover of less than \$5 million.

But AMA President Professor Brian Owler told the *Sydney Morning Herald* the Treasurer’s “surprising” comments missed the point, and suggested a lack of understanding of how most doctors were remunerated.

“The issue about the Medicare systems is the payments. It’s not actually about the doctors’ incomes,” Professor Owler said. “And certainly, the cost pressures that doctors are experiencing in their practices have nothing to do with tax cuts. It has to do with the rising costs of staff, leases, equipment and all of the things that go along with that.”

ADRIAN ROLLINS



Freeze a white-hot election issue

The Medicare rebate freeze is set to become a top issue in the Federal Election following the launch of a nationwide AMA campaign targeting Coalition MPs and candidates over the issue.

In a blow for Malcolm Turnbull as he seeks to win his first election as Prime Minister, the nation's peak medical organisation is mobilising doctors and patients, accusing the Government of cutting Medicare and trying to sneak through a tax that would hit every Australian household.

AMA President Professor Brian Owler said that ever since Budget night the AMA has been flooded with complaints from medical practitioners and members of the public outraged by the Government's decision.

"The Medicare freeze is not just a co-payment by stealth – it is a sneaky tax that punishes every Australian family," Professor Owler said. "It will hit working families with kids really hard. It will hit people with chronic illness, and it will hit the elderly."

The Budget decision to extend the Medicare rebate freeze through to 2020, at a saving of \$925 billion over four years, has undermined Government attempts to neutralise health as an issue in the Federal Election.

Prime Minister Malcolm Turnbull acted to get public hospital funding out of the headlines by giving the states and territories an extra \$2.9 billion at a Council of Australian Governments meeting last month, and Health Minister Sussan Ley has been accused of trying to deflect public attention by mounting attacks on the professionalism and integrity of doctors and other health workers.

But the Government, which has previously been forced to back down on plans to introduce patient co-payments in the face of widespread doctor and patient fury, faces a similar outcry over the extended Medicare freeze.

Professor Owler said the decision placed GPs and other specialists under enormous financial strain and left them no choice but pass their increased costs onto their patients.

"The costs of running a medical practice – rents, staff, technology and equipment, indemnity insurance, accreditation – continue to rise year-on-year," the AMA President said. "Many doctors have absorbed the impact of the freeze until now, but the two-year extension has pushed them over the edge. Their businesses are now struggling to remain viable."

Professor Owler has warned that for practices that have traditionally bulk billed their patients, moving to a model in which they begin to charge some will be expensive.

To recoup the outlay and cover associated costs, patients faced being charged up to \$30 or more a visit, he said.

YOUR HEALTH WILL COST YOU MORE

THE GOVERNMENT HAS CUT MEDICARE AND WANTS YOU TO PAY FOR IT

Your Medicare rebate will not increase until at least 2020. The cost of running this practice will rise substantially between now and 2020. You will pay a new or higher co-payment every time you visit your GP, every time you visit other medical specialists, every time you need a blood test, and every time you need an x-ray or other imaging.

TELL YOUR LOCAL MPs AND ELECTION CANDIDATES YOU ARE NOT HAPPY

GP VISITS
SPECIALISTS
BLOOD TESTS
X-RAYS
MEDICARE REBATE

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FOR MORE INFORMATION, GO TO ama.com.au/nomedicarefreeze

Facebook: AustralianMedicalAssociation | Instagram: ama_media | Twitter: #nomedicarefreeze

Combined with the Government's decision to axe bulk billing incentives for pathology and diagnostic imaging services, it meant that patients would "face higher costs for their health every step of their health care journey – every GP visit, every specialist visit, every blood test, every x-ray".

Posters, prescription pads and pamphlets supporting the #nomedicarefreeze campaign are being distributed to 30,000 GPs and other medical specialists around the country, and doctors and patients are being provided with the contact details of MPs and candidates in every electorate.

Professor Owler said the medical profession was untied in its efforts to put an end to the Medicare freeze, and the AMA campaign would complement those of other medical organisations.

For information and to download campaign materials, visit: <https://ama.com.au/nomedicarefreeze>

ADRIAN ROLLINS

The promises (so far)



Legal Assistance Services ▶ **\$30m**

Glucose monitoring kits ▶ **\$54m**

National Allergy Strategy ▶ **\$0.55m**

PET scanner - Darwin ▶ **\$15m**

Reduce clinical trial red tape ▶ **\$7m**



National Allergy Strategy ▶ **\$1.1m**

Prostate Cancer Specialist Nurses ▶ **\$10.6m**

Family violence support services ▶ **\$65m (over 6 years)**

Breast Cancer Network Australia ▶ **\$7m**

PET scanner - Darwin ▶ **\$15m**

Salvation Army Drug and Alcohol Rehabilitation ▶ **\$5m**

Medicare rebate indexation resumption ▶ **\$2.4b**

Scrap increases to PBS co-payment and safety net thresholds ▶ **\$971**

* costs are over four years unless otherwise indicated



Pathology deal a fresh assault on medical practices



The Federal Government has intensified its assault on medical practice incomes, promising to clamp down on rents charged for pathology collection centres in exchange for an end to the pathology sector’s damaging campaign over cuts to bulk billing incentives.

Just two weeks after it announced a two-year extension of the Medicare rebate freeze to 2020, ripping \$925 million out of primary and specialist care, the Government has sliced further into practice earnings by stitching up a peace deal with Pathology Australia that analysts predict will force collection centre rents down by 30 per cent and leave major players like Sonic Healthcare and Primary Healthcare up to \$100 million a year better off.

Prime Minister Malcom Turnbull announced the agreement during his first televised debate with Opposition leader Bill Shorten, declaring that it meant that “the concern that has been expressed about patients who go to have their blood tests done and so forth being charged extra, not being bulk billed, is... that concern is gone; the pathologists have agreed to continue bulk billing”.

But the Prime Minister’s boast could be premature.

Primary Healthcare, which holds 34 per cent of the market and is not a member of Pathology Australia, has written to doctors

to distance itself from the deal, and smaller pathology providers complain it does little for them and they will have to begin charging patients a co-payment of up to \$50.

AMA President Professor Brian Owler said the deal “doesn’t guarantee anything”.

“The cut to bulk billing incentives for pathology has merely been deferred. The cuts are still there, they’re still taking \$650 million out of health over the next four years,” Professor Owler said.

Professor Owler said he had been in contact with Pathology Australia about the deal, and they had admitted there was no guarantee the pathologists would continue to bulk bill.

“They don’t have the ability to make that guarantee, and it will be up to the individual pathology companies to actually make that decision over time,” he said.

Under the deal, the Government has committed that, if it is re-elected, it will delay bulk billing incentive cuts by around three months while it introduces provisions to the Health Insurance Act to clarify what is meant by ‘market value’ and link it with local commercial market rents.

This will be backed by “appropriate compliance mechanisms”, and those seeking to register collection centres will need to provide more information.

Pathology Australia said the reduced rents would enable its members to absorb the bulk billing incentive cuts and sustain current rates of bulk billing. As a result, the organisation has agreed to drop its national “Don’t Kill Bulk Bill” campaign.

The announcement amounts to a backflip by Health Minister Sussan Ley.

In a review of Approved Pathology Collection centre arrangements last year, Ms Ley rejected pathology sector calls for a change in the definition of ‘market value’ and determined that existing regulations regarding prohibited practices and market rent were appropriate.

Macquarie Securities analyst Craig Collie told *Guardian Australia* that Sonic Healthcare could be up to \$70 million a year better off under the Government deal.

Mr Collie estimated the company would save about \$116 million a year on rent at its 2000 collection centres, which more than offset the \$50 million cost of losing the bulk billing incentive.

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Pathology deal a fresh assault on medical practices

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Guardian Australia reported that both Sonic and Pathology Australia have been major Coalition donors in recent years.

There are around 4000 collection centres across the country, and medical practitioners have warned the Government will need to consult closely with general practice to ensure that the new regulations are not simply a form of price control that puts many existing leases into jeopardy.

The Government has declared there will be a moratorium on any new collection centre approvals until the new regulations are in place, and “the measure to remove bulk billing incentives will commence at the date that the changes to the regulatory framework take effect”.

But Professor Owler said that, even with the deal, there was no getting away from the fact that the Government was ripping hundreds of millions of dollars out of pathology services.

“To suggest that somehow the concern is now gone I think overstates the results of the agreement that was reached between the Government and Pathology Australia,” he said. “There will be some easing of costs pressures through this change to rents, but at the end of the day they are still experiencing a very significant cut.”

St Vincent’s Health Australia Chief Executive Toby Hall told the *Adelaide Advertiser* the axing of the bulk billing incentive would rip \$3 million from his organisation’s bottom line, forcing them to consider “some form of patient co-payment. I think we’d have to look at between \$20 and \$50”.

And the deal has done nothing to address the cut to bulk billing incentives for diagnostic imaging services.

The Australian Diagnostic Imaging Association warned patients still faced cuts to their rebates for x-rays, CT scans, MRIs and ultrasounds, and smaller pathology companies cautioned they would be forced to charge out-of-pocket expenses despite the Government’s deal.

ADRIAN ROLLINS

Pathology ducks MBS review

Pathology services will be quarantined from the Federal Government’s overhaul of Medicare in a major concession secured by the profession in exchange for dropping its campaign against the axing of bulk billing incentives.

The Government has opened the door to special deals regarding its MBS Review after agreeing to leave the Pathology Services Table, which lists the tests Medicare will cover and how much it will pay, untouched for the next three years.

Under the deal, the Government said it would “not change the Pathology Services Table, excluding those from the MBS Review, for the next three years, without consultation and agreement with the sector”.

Royal College of Pathologists of Australasia President, Dr Michael Harrison, said the arrangement meant “there will be a moratorium for the next three years on any further changes to [the] Pathology Services Table without agreement from the profession”.

The arrangement deepens questions about the Government’s rationale for the Medicare Review, suggesting its focus is primarily on savings rather than updating the MBS per se.

AMA President Professor Brian Owler told Sky News the AMA had been “quite happy” to participate in the review on the understanding that its primary goal was to modernise the MBS and deliver better outcomes for patients. This would involve ploughing a share of any savings made back into health, including lifting the Medicare rebate freeze.

“The conversations that I had with the former Prime Minister went along the lines of investing some of that money, if there were savings from that review, back into health,” Professor Owler said. “And it was very clear that one of the things that we’re aiming to do was to lift the MBS freeze. Now all of that seems to have fallen away. Clearly there’s no effort to lift the freeze and what this Government is determined to do is to continue the freeze...and pass the cost from the Government, through the doctor, onto patients.”

ADRIAN ROLLINS

Vote #1 Health

The AMA has called on whoever wins the Federal Election to bring an immediate end to the Medicare rebate freeze, boost public hospital funding and retain bulk billing incentives for pathology and diagnostic imaging services.

Launching the AMA's policy manifesto for the election, AMA President Professor Brian Owler said health will be at the core of the contest between the major parties, and whoever forms government "must significantly invest in the health of the Australian people".

"Elections are about choices. The type of health system we want is one of those crucial decisions," Professor Owler said.

The Turnbull Government is facing a backlash from patients and the medical profession over a series of controversial funding cuts, including the Budget move to extend the Medicare rebate freeze to 2020, to slash billions from the future funding of public hospitals, and to axe bulk billing incentives for pathology services.

The Medicare rebate freeze, initially introduced by Labor in 2013 and extended twice by the Coalition since, has been condemned as a policy to introduce a patient co-payment "by stealth", with warnings it threatens the financial viability of many practices and will force many GPs to abandon bulk billing and begin to charge their patients.

"The freeze on MBS indexation will create a two-tier health system, where those who can afford to pay for their medical treatment receive the best care and those who cannot are forced to delay their treatment or avoid it altogether," the AMA's *Key Health Issues for the 2016 Federal Election* document said.

Professor Owler said the freeze will mean "patients pay more for their health care. It also affects the viability of medical practices."

The AMA President has also warned that massive cuts to public hospital funding were likely to stymie improvements in their performance and increase the delays patients face.

In 2014, the Coalition Government announced it would scale back growth in hospital funding, savings \$57 billion over 10 years, provoking a storm of protest from State and Territory governments. To try to placate them ahead of the Federal Election, Prime Minister Malcolm Turnbull thrashed out a deal to provide an extra \$2.9 billion over the three years to 2020.

But Professor Owler said the funds were an inadequate short-term fix that fell "well short of what is needed for the long term".

The AMA has called on the major parties to commit to adequate long-term public hospital funding, including an annual rate

indexation that provides for population growth and demographic change.

The Government is also under pressure over its decision to save \$650 million over four years by scrapping bulk billing incentives for pathology services and reducing them for diagnostic imaging services, with loud warnings it will deter many patients, particularly the sickest and most vulnerable, from undertaking the tests they need to manage their health and stay out of hospital.

The AMA said the move was a "short-sighted policy that will ultimately cost future government and the Australian community much more in having to treat more complicated disease – disease that could have been identified or avoided through good access to pathology and diagnostic imaging services".

It said the major parties should commit to maintaining the current subsidies.

In addition, the AMA is calling for all those contesting the Federal Election to commit to:

- advancing the care of patients with chronic illnesses by providing adequate funding of the Government's Health Care Homes trial;
- ensuring the medical workforce meets future community need by boosting GP and specialist training programs and completing workforce modelling by the end of 2018;
- increasing funding for Indigenous health services and strengthen programs to address preventable health problems;
- improving the GP infrastructure grants program;
- increasing investment in preventive health initiatives;
- cracking down on the marketing and promotion of e-cigarettes, including banning their sale to children; and
- adopting a National Physical Activity Strategy to improve health and reduce the incidence of obesity, heart disease, diabetes, stroke and other illnesses.

"The next Government must significantly invest in the health of the Australian people," Professor Owler said. "Investment in health is the best investment that governments can make."

The AMA's *Key Health Issues for the 2016 Federal Election* document is available at <https://ama.com.au/article/key-health-issues-federal-election-2016>

ADRIAN ROLLINS



‘Elements’ of racism in how health system treats Indigenous

Indigenous life expectancy in some parts of Australia is 26 years below that of the national average, and there is an “element” of racism in how the health system treats Aboriginal and Torres Strait Islander people, according to AMA President Professor Brian Owler.

Speaking at the launch of a document in which the AMA called for an end to the under-funding of Indigenous health services, Professor Owler said that although people who worked in the health system were not racist, the way the system itself treated Aboriginal and Torres Strait Islander people was often culturally inappropriate.

“Racism is a word that needs to be used cautiously, but there is no doubt that there is an element in terms of how we deal with Indigenous people,” the AMA President said. “Now, it’s not to say that the people in the system are racist, it is about the way that we recognise and provide culturally appropriate care.”

Professor Owler, who visited Alice Springs and several Aboriginal communities in the Northern Territory earlier this year, said the Alice Springs Hospital was much more culturally sensitive in the way it dealt with Indigenous people compared with other hospitals and health centres, including those with a significant number of Indigenous people as patients.

“I think in that way...there is an element of racism, and those are the sorts of things that we need to deal with,” he said. “I don’t think people should understand that the people in the system itself are racist, it’s the way that the system needs to change and develop to make sure that we look after Indigenous people in the way that is more appropriate, safer in terms of culture, and that is likely to engage them more and deliver much better outcomes.”

Nationally, the life expectancy of Aboriginal and Torres Strait Islander people lags 10 years behind that of the rest of the community. But in parts the gap reaches 26 years, and Professor Owler said Indigenous children as young as seven years old were developing type 2 diabetes – probably the youngest of anyone in the world.

Indigenous health services have been hit by Government spending cuts and uncertainty over future funding, and the AMA, in its *Key Health Issues for the 2016 Federal Election* document, has called for an end of what it said was chronic under-funding of the sector and an investment boost in Aboriginal and Torres

Strait Islander community controlled health organisations.

“Having toured central Australia and the Northern Territory, and spoken to people that work in this field, they have seen a cut in Indigenous health over the past few years,” Professor Owler said. “While we’ve made ground in Indigenous health, there is so much more to do. But when you go and talk to people, when you see the realities on the ground, the issues that are being faced by Indigenous people, particularly in remote and rural communities and regional Australia, you can see that there’s so much more that needs to be done.”

The AMA’s *Key Health Issues for the 2016 Federal Election* document is available at <https://ama.com.au/article/key-health-issues-federal-election-2016>

ADRIAN ROLLINS

INFORMATION FOR MEMBERS

Medical research priorities

The Medical Research Future Fund (MRFF) is calling for submissions as part of the development of the Australian Medical Research and Innovation Strategy and Priorities.

The Strategy is determined every five years and the research Priorities every two years. Their purpose is to ensure a coherent and consistent approach when disbursing MRFF funding into the health and medical research sector.

Submissions on either the Strategy or the Priorities can be made using the online pro formas at the MRFF webpage. Submissions are limited to three pages and close on 6 June. The Priorities pro forma lists specific questions to prompt input, including what gap in the health system and what new or existing health or health system challenges are being addressed by the priority, the research aims and objectives to be met, and an outline of the priority proposal.

The AMA’s input will focus on broader issues with the Medical Research and Innovation Strategy, rather than individual research priorities.



Nothing neat about lives put at risk

Patient lives are being put at risk by cuts to a program that was working to reduce deaths among emergency department patients, AMA Vice President Dr Stephen Parnis has warned.

As the pressure mounts on the major political parties to detail their plans for public hospital funding, Dr Parnis – who is an emergency physician – has called for both the Coalition and Labor to commit to specific Commonwealth funding for the National Emergency Access Target (NEAT).

His call follows the publication of a peer-reviewed study published in the *Medical Journal of Australia* that linked the NEAT with lower in-hospital mortality rates for emergency patients.

When NEAT was introduced, the goal was to ensure that, by 2015, 90 per cent of ED patients were to be admitted, discharged or transferred within four hours. This goal was supported by specific Commonwealth funding.

The *MJA* study found the policy was working, concluding that “as NEAT compliance rates increased, in-hospital mortality of emergency admissions declined”.

But the Abbott Government axed funding for the program in the 2014-15 Budget, and Dr Parnis said improvements in hospital performance had since stalled.

After improving every year since 2011-12, performance against the NEAT at the national level had “now plateaued, with no further improvements in 2014-15, with the likelihood that the situation could deteriorate as a result of the Budget cuts,” he said.

“A target that was working to improve performance has stopped delivering further improvements.”

The cut the NEAT fund was part of a broader Government policy to slash up to \$57 billion from public hospital funding by the mid-2020s by disowning National Health Reform Agreement commitments and lowering the indexation of funding to inflation plus population growth.

The AMA has been highly critical of the massive funding cut, which has also drawn the ire of State and Territory governments.

In an effort to neutralise public hospitals as an election issue,

Prime Minister Malcolm Turnbull last month announced the Commonwealth would inject an extra \$2.9 billion into the public hospital system over the next three years.

But Dr Parnis said that although the extra money was welcome, it was “clearly inadequate” in enabling hospitals to meet the needs of patients in the long term.

“The *MJA* article is further evidence that arbitrary public hospital funding cuts have real consequences for patient mortality,” he said.

ADRIAN ROLLINS

INFORMATION FOR MEMBERS

ANZACS on Malta

More than a century ago, Malta played host to thousands of wounded ANZACs, many of them fresh from the battlefields of Gallipoli, providing them with a place of safety to recuperate from their ordeal. Altogether, 58,000 found a refuge on the Mediterranean island.

Malta’s ANZAC link was rediscovered by AMA Vice President Dr Stephen Parnis during a visit to the island last year when he chanced upon the decaying remnants of Australia Hall, which served as an entertainment and recreation centre for convalescing troops.

Following an account in *Australian Medicine* (<https://ama.com.au/ausmed/when-anzacs-landed-malta>) of his discovery and efforts to restore Australia Hall, the Brunswick Community History Group on 4 June host a talk on by member Mario Bonnici about the role Malta played in helping wounded soldiers during World War One.

The talk will be from 1.30pm at Bridie O’Reilly’s Irish Pub, cnr Brunswick and Sydney Rds.

For further details, contact Brunswick Community History Group at: brunswickhistoryinc@yahoo.com

The Pitch

Health, as befits one of the major functions of Government, is shaping as a key battleground in the 2016 Federal Election.

In its first term in office, the Coalition Government has left no area of health policy untouched. Medicare rebates have been frozen, there is a thoroughgoing review of 5700 MBS items underway, Medicare Locals have been replaced by Primary Health Networks, Health Care Homes and the My Health Record are being trialled, national agreements on public hospital funding were abandoned as part of plans to renegotiate the Federation, and the role of the private sector, especially health insurers, in providing health services is being examined.

These changes have come against the backdrop of steadily increasing demand for health services. Advances in health care and medicine have meant that Australians are living longer than ever, and as lives extend, the number of patients living with multiple chronic health conditions has

risen. Caring for these patients is imposing ever-increasing demands on GPs, specialists and hospitals.

Coincidentally, advances in medical science are delivering new and more effective treatments that are saving and improving lives – but often at a hefty cost.

In this *Australian Medicine* special, each of Health Minister Sussan Ley, Shadow Health Minister Catherine King, and Australian Greens leader Senator Richard Di Natale lays out their broad vision for health policy.

These should be seen as their first, rather than final, word on health during this Federal Election, and *Australian Medicine* will provide comprehensive coverage of the detailed policy pronouncements as they are made during the course of one of the longest campaigns in Australia's recent political history.

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ADRIAN ROLLINS



Health Minister Sussan Ley

Building a 21st century health system for all Australians

The health policy directions we have outlined in the recent Federal Budget are underpinned by a key and very important objective; to ensure patients and consumers are at the centre of all our decision making.

Ultimately, we are all here to ensure patients have a better health outcome, and this can only be achieved by working together to make sure our service delivery is well-integrated, efficient and focused.

It is well documented that the Commonwealth needs to spend its health dollar wisely, landing that funding as close to patients as possible.

Simply throwing more money at the system is tantamount to 'placebo policy': it may make some feel better but it won't treat the cause.

In the last 12 months, through the Council of Australian Governments, (COAG), every State and Territory has had significant input into what the primary and health care sector needs to look like in coming years.

Central to these discussions is our desire to reduce the barrier patients face across a fragmented system, with an aim of keeping people well at home and, where possible, out of hospital.

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The Pitch

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Since becoming Health Minister, I have consulted widely with many of you on the ground, and we are now undertaking important reforms like Health Care Homes, not only because it is the right policy but as a show faith for your co-operation and support in this process.

Health Care Homes will trial a new way of funding chronic and complex care, which will ensure patients receive integrated, coordinated care to better meet their needs.

It's important to note in addition to the \$21 million already committed to complete trials over two years, bundled payment models during this period will be funded as certain Chronic Disease Management MBS items and cashed out to support this initiative.

Moving closer to a national rollout, we will obviously assess what further funds may be required in consultation with you and your representatives.

There are a number of other integrated reforms that we are undertaking to help build a *Healthier Medicare* and put patients first.

Our clinician-led review of all 5700 items on the MBS is also progressing steadily, under the careful consideration and advice of your peers.

At the most recent COAG, it was agreed an additional \$2.9 billion in Commonwealth investment for public hospitals was required for ongoing needs, but with a greater focus on patient outcomes, quality and safety, particularly for those being treated for a chronic illness.

All children and concession card holders will now be eligible for affordable access to dental care through a new national public dental scheme, which will see the Commonwealth double its contribution towards frontline public dental services from July this year.

Australians with mental health issues will also begin receiving the integrated care they need from 1 July, as we begin trialing new once-a-new generation reforms providing patients with personalised care packages.

Our world-class Pharmaceutical Benefits Scheme gives Australians access to affordable medicines, with the Government's reforms saving patients as much as \$20 per script on common everyday medicines, with further price cuts to come.

We've also ensured savings to taxpayers are being reinvested in

new innovative medicines, with the Turnbull Government making nearly 1000 listings on the PBS over the past three years – triple that of the previous Government.

This includes our watershed commitment of over \$1 billion to eradicate hepatitis C within a generation.

This is being supported by new reforms announced in the Budget, allowing patients to get faster access to life-saving medicines and medical devices up to two years earlier, by breaking down international trade barriers and red tape.

We are actively working to protect and increase immunisation rates against deadly and debilitating viruses, with incentives for GPs to catch up overdue children, a national all-age vaccination register and 'no-jab, no pay' deterrents.

Also, with an eye to the future, we want patients to find it easier to navigate the health system through the digital 'My Health Record', which will allow everything from a patient storing prescription information, through to doctors having life-saving access to someone's allergies in a medical emergency.

There are many more initiatives, and I encourage you to visit www.health.gov.au to find out more at

Can I take this opportunity to acknowledge your outgoing AMA President, Professor Brian Owler. While we have not always arrived at the same position in relation to health policy, I acknowledge his fierce advocacy on behalf of the AMA and its members.

I look forward to a collegial working relationship with his forthcoming successor and hope we can work together to develop policies which ensure every dollar 'works' in a constrained budgetary environment.

The Turnbull Government also appreciates the efforts of many GPs to keep costs down during the current Medicare rebate indexation pause, which was first introduced under the previous Government back in 2013-14.

I would like to reaffirm my commitment to the possibility of a review of this pause as further improvements and inefficiencies are identified through our *Healthier Medicare* reforms.

In closing, be assured across all areas of the health sector I continue to have an open ear, open door approach, and welcome constructive dialogue in balancing our joint desire to maintain and build a progressive health system for all Australians.

My email is Minister.Ley@health.gov.au if you would ever like to raise any ideas or questions.

The Pitch



Shadow Health Minister Catherine King

General practice is the heart of Medicare and deserves respect

One of the most disappointing aspects of Malcolm Turnbull's election manifesto is its continuing attack on primary care.

After being devalued in the Coalition's first two Budgets by the GP Tax and then the four year freeze, the profession could have been forgiven for hoping a change of leader marked a change in approach to general practice.

Sadly, as we now know, this was not the case, and the shock decision to extend the freeze out to six years effectively signals that under the Coalition, Medicare rebates are now effectively locked at their current rates.

The signal this sends is that the Coalition does not value general practice, and does not believe the services rendered by GPs are worth being properly remunerated for.

I can give you an assurance that Labor most emphatically does not share this view, and a Shorten Labor Government will place general practice at the forefront of Australia's healthcare system.

By the time voters go to the polls, our health policy will leave the profession and their patients in no doubt about the contrast between Labor's respect for general practice, and the Coalition's approach of the last three years.

That is because Labor believes general practice is the heart of Medicare, acting as the first line of preventive health care, catching and managing illness and disease before far worse outcomes lead to greater costs for both patients and the health system.

Indeed, all of the evidence internationally is that the stronger a country's primary health care system, the better its health outcomes are.

We know from a number of studies that "health systems with strong primary health care are more efficient, have lower rates of hospitalisation, fewer health inequalities and better health outcomes including lower mortality, than those that do not".

That is why, when last in Government, Labor did introduce a number of measures to improve general practice, including continuing incentives that improved access and increased bulk billing rates; being properly remunerated for the treatment of chronic disease; provided incentive payments for the treatment of practice nurses and a number of other measures.

But as we look to the future of general practice, we are also conscious of the way Medicare has evolved over more than 30 years now.

No serious health expert disputes the need for Australia's health system to better manage patients with chronic conditions, and Labor welcomes the proposals of the Primary Health Care Advisory Group to better manage the care of the one-in-five Australians living with two or more chronic health conditions.

Last year's OECD Health Care Quality Review warned Australia's ageing population will lead to a growing burden of chronic disease, and highlighted the need for greater investment in primary care to tackle the rise in chronic disease.

But unlike the current Government, a Shorten Labor Government will pay more than lip service to general practice being central to care coordination, as will be made clear in our primary care policy.

Labor understands these reforms can only be achieved in co-operation with doctors, and that co-operation can never succeed if the profession is constantly blindsided by Budget night surprise raids and politically inspired attacks on the integrity of doctors.

I know doctors want to be a major part of the solution.

So too does Labor, and if Labor is elected to Government I can assure you we would want to be advised by you as GPs about what the best system should look like, and how patients can best be looked after.

The Pitch



Australian Greens leader Dr Richard Di Natale

Investing in health care

The Greens believe good health care is an investment, not a cost. As a wealthy country we are lucky to have the opportunity and the means to make high-quality healthcare available to everyone.

Of course we should always seek to ensure we get the best value for our money, but as effective new treatments become available we believe securing affordable, universal access should be the objective.

Spending that leads to better health outcomes and longer lives represents good value for money, and should be prioritised. Australia's health spending is not unusual by comparable global standards. Among OECD countries, the average spend on health is about 9 per cent of gross domestic product - not much different from where Australia sits now. By contrast, the European average is greater than 11 per cent, and the United States spends 17.1 per cent of GDP on health in a system that delivers worse outcomes.

And yet under this Government, which sees health merely as a cost to the bottom line, the harsh cuts continue. This year's Budget has seen the Government extend the freeze on indexation of the MBS. This is a co-payment by stealth, which we recognise will force doctors to make a difficult choice about passing on the costs to patients, knowing that hitting patients will almost certainly lead to avoidable and costly presentations to hospital in some cases.

Deeper cuts to the Flexible Funds, with still no certainty about where the axe will fall, is leaving providers of essential services vulnerable and patients at risk.

There is so much to do to extend true universal access to all, including in particular to Aboriginal and Torres Strait Islander Australians whose health outcomes continue to lag behind the rest of the nation. We need secure, targeted investment, not cutbacks, and it was a huge disappointment to see the Government commit no funding at all for the Implementation Plan of the National Aboriginal and Torres Strait Islander Health Plan in this year's Budget.

The Greens believe in a system which meets the challenges of changing demographics and rising chronic disease. It is time for a real plan for the future of our primary care system, which puts patients at the centre of their care, with continuity of care and appropriate funding. The Government's Healthcare Homes plan risks this important reform by under-resourcing the trial.

The Greens have long championed the Denticare scheme, believing that the mouth should be treated like any other part of the body in terms of access to the health system. We continue support its expansion, seeking universal dental care for all Australians over time.

Spending more on health care is not unsustainable - it is a matter of priorities, and the Greens choose to prioritise good health care.

The Greens are committed to maintaining a health care system that is publicly funded, of the highest quality, and available to all. We want Australians to have access to the latest drugs and treatments that medical science has to offer. All Australians, no matter where they live, should share equally in the benefits of our health system.

The Greens will be announcing a suite of fully costed health policies throughout the election campaign, setting out our vision for the health system in Australia. We encourage AMA members to watch out for our announcements - which will provide a positive, equitable plan for the future.



Heard on the hustings

“We need to control the way we spend the health dollar within the limited means we have, to enable us to have the funding to put new drugs on the Pharmaceutical Benefits Scheme” – Prime Minister **Malcolm Turnbull** explains why the Medicare rebate had to be frozen until 2020.

“I understand for doctors that the GP freeze has been difficult and I appreciate their working with us. I have said to doctors that I want that freeze lifted as soon as possible, but I appreciate that Finance and Treasury aren’t allowing me to do it just yet” - Health Minister **Sussan Ley** says the rebate freeze extension isn’t her doing.

“Nobody wants to head down the same path as America when it comes to our health system. We will reverse Mr Turnbull’s cuts, which will reduce bulk billing and hit Australian families every time they visit the doctor” – Opposition leader **Bill Shorten** makes the first big announcement of the election campaign, unveiling Labor’s \$12.2 billion plan to restore Medicare rebate indexation from next year – to be paid for by axing company tax cuts and the new baby bonus.

“What happened in 2011 was a previous Government” – **Bill Shorten** ducks responsibility for Labor’s decision to freeze Medicare rebates in November 2013.

“The Government is shifting its responsibility from providing health care services back to the hip pocket of patients. It is inevitable that, under the freeze, out-of-pocket expenses are going to rise. Labor’s policy protects the Medicare rebate. It actually supports and cements one of the most important factors in our Medicare system, and that is its universality” – AMA President Professor **Brian Owler** welcomes Labor’s announcement.

“One thing that I’m pleased about is that the many medical practitioners who are out there, on the first of July, they will get a company tax cut, those who are operating in those structures, but also those who are in unincorporated structures” – Treasurer **Scott Morrison** argues the Government’s company tax cuts will offset the hit to doctor incomes from the Medicare freeze.

“Bill Shorten and Labor can’t pay for their health spending promises, and what they can’t pay for they will never deliver. Bulk billing rates remain higher under the Coalition than Labor. Many GPs are also small business owners and employers, and the Coalition’s 10-year enterprise tax plan will benefit them directly” – **Sussan Ley**.

“The issue about the Medicare systems is the payments. It’s not actually about the doctors’ incomes. And certainly, the cost pressures that doctors are experiencing in their practices have nothing to do with tax cuts. It has to do with the rising costs of staff, leases, equipment and all of the things that go along with that” – Professor **Brian Owler** says the Coalition is missing the point.

“To be frank, on the current rebate we make less than \$1 per consultation, which doesn’t provide for the renewal of fixed assets. You get by day-to-day but you don’t have the capacity for future provision” – **Dr Rodney Beckwith**, who owns a medical practice on the NSW central coast.

“At this stage, the black hole of unfunded promises keeps on getting deeper and darker” – **Malcolm Turnbull** tries to shift the focus from health to financial management.



Aged care sector prepares for fight with Government



Aged care providers are preparing to campaign against the Government, accusing it of stripping \$3.1 billion from the sector over the past year alone.

The Government plans to save \$1.2 billion by “refining” the Aged Care Funding Instrument (ACFI) so that fewer patients fall into the complex health care (CHC) category, following a blowout in claims.

Currently, almost 50 per cent of patients are classified in the highest CHC bracket, receiving \$66.82 a day on top of the usual subsidies.

Treasurer Scott Morrison said the ACFI needed fine tuning so it did not “encourage distortions in claiming behaviour and care delivery”.

Health and Aged Care Minister Sussan Ley told *The Australian* that ongoing overclaiming by providers “demonstrates a clear need to restructure the way (funding) is assessed”.

While the move received support from the Council on the Ageing, it was condemned by the peak lobby group, Leading Aged Services Australia (LASA), which accused the Government of cutting \$3.1 billion nationally over the past year.

Individual providers and Aged and Community Services Australia (ACSA) also criticised the measure, with ACSA launching a federal election campaign called *Old, Frail, and Invisible*.

“There is significant and growing concern about the impact of the 2016-17 Budget cuts arising from changes around the ACFI, ACSA President Paul Sadler said.

“These will directly impact on older people in our residential care facilities that need specialised and complex care and support.

“These changes to ACFI have not been implemented in the spirit of consultation, and the modelling of the impacts we have seen so far has caused considerable distress in our sector as we seek to provide the appropriate service, care and support to our current and future residents.”

Ansell Strategic, a consultancy specialising in aged care organisations, released projections showing that the changes would result in cuts of \$350 million more than announced.

“While the cuts compromise the viability of the sector, the threats to the vulnerable aged are even more concerning,” managing director Cam Ansell said.

“The ACFI changes create a disincentive to admit high dependency people and will ultimately result in their displacement to hospitals.”

In a separate fight, Victoria’s largest provider, Shepparton Villages, has reportedly launched a campaign against a Government decision to shift almost 150 beds from the Shepparton region to Melbourne.

LASA’s Victorian policy and government relations director, Jenny Matic, told *The Australian* that the Shepparton region had been stripped of beds despite having the third highest rate of dementia in Australia.

“Four hundred residential aged care beds were meant to be allocated, but only about 250 were. That’s a 40 per cent loss,” she was quoted as saying.

“There doesn’t seem to be a level of transparency around these deferred allocations. You don’t know who got what and how many.”

Shepparton is in the federal seat of Murray, where the Liberal and National parties are each standing a candidate following the retirement of long-serving Liberal MP Sharman Stone.

MARIA HAWTHORNE



Parties declare war over drugs

Access to medicines has become an election battleground, with the Coalition warning a Labor pledge to keep the cost of prescription drugs down will push many lifesaving treatments out of reach.

In his second major health announcement of the campaign, Opposition leader Bill Shorten announced a Labor Government would scrap Coalition plans to increase the patient co-payment for Pharmaceutical Benefit Scheme medicines and lift safety net thresholds.

The measure, which Labor estimates will cost \$971 billion over four years and \$3.6 billion over a decade, seeks to undo changes unveiled by Joe Hockey in the 2014 Budget to add \$5 to the \$38.30 PBS co-payment for general patients and 80 cents to the \$6.20 co-payment for concession card patient.

In addition, Labor has promised not to increase safety net thresholds (currently at \$1475.70 for general patients and \$372 for concessional patients) faster than inflation – as opposed to Coalition plans for an annual 10 per cent increase.

Legislation to implement the 2014 Budget changes has been stalled in the Senate but was included in the most recent Budget, indicating that the Government remains committed to its implementation, creating an opening for Labor.

“Malcolm Turnbull confirmed his commitment to these cuts by building them into his first Budget earlier this month,” Mr Shorten said. “Labor will not stand by and let Malcolm Turnbull and the Liberals dismantle universal health care. Labor believes every Australia deserves access to affordable medicine.”

Mr Shorten said Labor’s promise would be funded from the proceeds of ditching the Coalition’s planned \$50 billion company tax cut.

But the Prime Minister hit back by calling into question whether a future Labor Government would be able to afford to subsidise access to new but often hugely expensive treatments for cancer, hepatitis and other serious illnesses.

Mr Turnbull said that by managing “the health budget well, we have been able to bring onto the PBS \$3 billion worth of new medicines”.

The Government claims that since coming to office it has funded the addition of almost 1000 medicines worth about \$4.4 billion to the PBS, including treatments for hepatitis C, melanoma, breast cancer and diabetes.

Health Minister Sussan Ley accused Labor of having “no plan for listing medicines at all. I see increased spending, poorly targeted. I do not see any of the reforms necessary to do what the Coalition has been able to do in the medicines listing space”.

Among its election promises, the Coalition has announced it will invest \$7 million to make Australia an easier place to conduct clinical trials – potentially giving Australians early access to access to breakthrough treatments.

The Minister said the Coalition had a much stronger record than Labor of listing new drugs – “We are talking about breakthrough cure here. There is no time to wait. We know we will list it and the Labor Party will not”.

But Shadow Health Minister Catherine King said Labor would maintain the arrangement under which new drugs were assessed for listing on the PBS by the Pharmaceutical Benefits Advisory Committee, including the threshold set by the Coalition over which approval must be considered by Cabinet.

AMA President Professor Brian Owler welcomed Labor’s pledge to dump the planned PBS patient co-payments and changes to safety net threshold indexation.

Professor Owler said the Coalition had sought to impose new and higher costs of patients “at all levels” of the health system, including GPs, pathology, diagnostic imaging and prescriptions.

“This is deterring those that can least afford it from going and filling their prescription,” he told Sky News. “So Labor’s pledge is very welcome, and I think patients should be very pleased about that. Particularly those with complex and chronic illnesses.”

Professor Owler said it was wrong for the Minister to claim Labor would not list new drugs.

“The recommendations [to list drugs] come through an independent committee through the PBAC process, and that’s a very robust assessment process, and then the recommendations are made,” he said. “Now, there have been some very good things that have been done, particularly around the hep-C medicines that have been funded, and that’s been very good for those patients, but that doesn’t preclude that happening under Labor’s plans.”

ADRIAN ROLLINS



Health a vote winner



The Federal Government’s decision to inject almost \$3 billion into public hospitals was the most popular measure in the Budget, underlining the high value voters put on health care.

A survey of voters by polling company JWS Research, and reported by the *Australian Financial Review* has found that 75 per cent approved the allocation in the Budget of \$2.9 billion over four years to support public hospitals, overshadowing the 72 per cent who welcomed an extra \$50 billion for road, rail and water infrastructure and the 65 per cent who approved an extra \$840 million for youth employment programs.

The result suggests that Labor is playing to the concerns of a majority of voters with its push to make health a key election battleground, including through its commitment to unfreeze the Medicare patient rebate from January next year.

Highlighting the Government’s failure to get much of a pre-election bounce out of Treasurer Scott Morrison’s first Budget, the survey found that only 17 per cent thought it would be good for them personally, and just 21 per cent said it would be good for the country. Thirty-seven percent thought it would be bad for them, and for the nation.

Pollster John Scales, who oversaw the survey, told the *AFR* the results showed that the Government’s attempt to sell the Budget as an economic plan, encapsulated in its “jobs and growth” mantra, had failed to resonate with voters.

The Government made company tax cuts the centrepiece of the Budget, arguing that they would boost the economy by encouraging investment and employment.

But Mr Scales told the *AFR* that although the message had been understood at the “micro level, that’s been missed by the general population. They’re asking what is in it for them, they’re saying, ‘there’s nothing in it for me’.”

ADRIAN ROLLINS

INFORMATION FOR MEMBERS

Essential GP tools at the click of a button

The AMA Council of General Practice has developed a resource that brings together in one place all the forms, guidelines, practice tools, information and resources used by general practitioners in their daily work.

The GP Desktop Practice Support Toolkit, which is free to members, has links to around 300 commonly used administrative and diagnostic tools, saving GPs time spent fishing around trying to locate them.

The Toolkit can be downloaded from the AMA website (<http://ama.com.au/node/7733>) to a GP’s desktop computer as a separate file, and is not linked to vendor-specific practice management software.

The Toolkit is divided into five categories, presented as easy to use tabs, including:

- online practice tools that can be accessed and/or completed online;
- checklists and questionnaires in PDF format, available for printing;
- commonly used forms in printable PDF format;
- clinical and administrative guidelines; and
- information and other resources.

In addition, there is a State/Territory tab, with information and forms specific to each jurisdiction, such as WorkCover and S8 prescribing.

The information and links in the Toolkit will be regularly updated, and its scope will be expanded as new information and resources become available.

Members are invited to suggest additional information, tools and resources to be added to the Toolkit. Please send suggestions, including any links, to generalpractice@ama.com.au



AMA in the news

YOUR AMA HAS BEEN ACTIVE ON POLICY AND IN THE MEDIA ON A RANGE OF ISSUES CRUCIAL TO MAKING OUR HEALTH SYSTEM BETTER. BELOW IS A SNAPSHOT OF RECENT MEDIA COVERAGE.

PRINT/ONLINE

War on rebate freeze, *Canberra Times*, 15 May

The AMA distributed posters to its members, warning patients that they will be left out-of-pocket because the cost of running the medical practice will continue to rise even as Medicare rebates stay frozen until 2020. The AMA campaign encourages patients to contact their local MPs and election candidates. AMA President Professor Brian Owler said many doctors had absorbed rising costs, but the freeze extension “has pushed them over the edge”.

Doctors harden stand on Medicare rebate rises, *The Australian*, 16 May

The AMA continued its campaign against the Coalition’s extended freeze of Medicare rebates, a day after pathologists agreed to end their bulk billing campaign in exchange for regulated rents. AMA President Professor Brian Owler said the Medicare freeze had pushed the industry to a “tipping point” likely to result in patient co-payments of \$20 or more. “This Medicare freeze not only punishes those patients that rely on bulk billing – the sickest, the poorest, the most vulnerable in our community – it also punishes those people that are already making a contribution to their health care.”

RADIO

Dr Stephen Parnis, 2GB, 9 May

AMA Vice President Dr Stephen Parnis said new Medical Board of Australia guidelines for cosmetic medical and surgical procedures, including a cooling off period for major surgery, was reasonable.

Professor Brian Owler, ABC NewsRadio, 12 May

Professor Owler announced the AMA’s wishlist for the upcoming election, demanding an end to the freeze on Medicare rebates, a reversal of cuts to pathology and imaging services, and more money for public hospitals.

Professor Brian Owler, 612 ABC Brisbane, 14 May

The AMA said it cannot guarantee pathologists won’t abandon bulk billing. AMA President Professor Brian Owler said that while the Prime Minister has announced a deal with pathologists to end the long running funding dispute, the AMA still has concerns.

Dr Stephen Parnis, 2GB, 16 May

Dr Parnis confirmed that the AMA has criticised the government’s decision to extend the Medicare rebate freeze until 2020. Dr Parnis detailed how it will effect bulk billing practices and the quality of care a GP can provide to patients. He cautioned that ultimately this would result in higher health costs as people chose to neglect their health for financial reasons.

TELEVISION

Professor Brian Owler, ABC News 24, 12 May

Professor Owler outlined the key issues for both parties in the Federal Election campaign. When releasing the AMA’s *Key Health Issues for the 2016 Federal Election*, he said the Australian health care system is something to be proud of but is under threat at the present time. Professor Owler explained that unless there is proper investment in health care, and “we start to talk about health differently, as an asset, as an investment rather than just a cost or an annoyance in the Budget, we are going to see that system threatened”.

Professor Brian Owler, Sky News, 14 May

Professor Owler explained the cuts to bulk billing incentives for pathology had merely been deferred for three months, which meant the cuts were still “taking \$650 million out of health over the next four years”.

Professor Brian Owler, Sky News, 15 May

Professor Owler discussed the AMA’s campaign against the Medicare patient rebate freeze which has been extended to 2020. Professor Owler explained that practices were unable to absorb almost seven years of a frozen Medicare rebates. Professor Owler also answered questions about the medical treatment of asylum seekers, as well as provided comment on the Harvard Report for the Rio Olympics to be cancelled because of the Zika virus.

Most agree, we have a drinking problem

Most Australians think the country has a drinking problem and believe more needs to be done to reduce the harm it causes, according to a nationwide poll conducted for the Foundation for Alcohol Research and Education.

Almost 80 per cent of 1825 people who took part in the survey said they drank alcohol, and of these more than a third admitted to drinking to get drunk, underlining concerns that many people are putting their health, and that of others around them, at risk by drinking excessively.

The results underline AMA calls for national action to tackle the nation's drinking problem, with estimates that 5500 people die each year from alcohol-related causes and 157,000 are hospitalised.

AMA Vice President Dr Stephen Parnis, an emergency physician, said the high incidence of alcohol-related violence and other harms was "utterly unacceptable".

"Doctors are at the front line in dealing with the devastating effects of excessive alcohol consumption," Dr Parnis said. "We deal with the fractured jaws, the facial lacerations, and the eye and head injuries that can occur as a result of excessive drinking. We see the deaths and life-long injuries sustained from road trauma and violence."

The AMA Vice President said that in the two years since the AMA hosted a National Alcohol Summit and called for government action, little had changed.

"The scourge of excessive alcohol consumption and alcohol-related violence is still being felt throughout the community, and more often by our most vulnerable, including children and young people," he said. "Two years on, and we are still waiting for action at the Commonwealth level."

The AMA has said there needs to be a fundamental shift in social attitudes toward alcohol, including its close association with sport and binge drinking.

In an interesting insight into community perceptions, the FARE survey – conducted by Galaxy Research – investigated how people expected to feel after drinking alcohol compared with how it actually made them feel.

The study found that although drinkers commonly expected to feel happy (56 per cent) and relaxed (54 per cent), just 28 per cent reported that they were left feeling happy after their last drinking episode, and 31 per cent said it left them relaxed. By

contrast, almost a third said it made them feel tired and 17 per cent reported it left them feeling sick.

Encouragingly for the AMA and other public health campaigners pushing for restrictions on the marketing and promotion of alcohol, particularly to young people, almost 80 per cent thought more needed to be done to reduce alcohol harm, and 57 per cent felt the alcohol industry targeted people under drinking age in its advertising and promotional activities.

ADRIAN ROLLINS



Contest for AMA AMA leadership positions

AMA Vice President Dr Stephen Parnis and AMA WA President Dr Michael Gannon are competing to lead the AMA for the next two years.

At the close of nominations on 11 May Dr Parnis, a Consultant Emergency Physician at Melbourne's St Vincent's Hospital, and Dr Gannon, who is Head of the Department of Obstetrics and Gynaecology at Perth's St John of God Hospital, flagged their intention to contest for the position of AMA President, which will be decided at a ballot at the AMA National Conference on Sunday, 29 May.

The Vice President's position will also go to a vote after Sydney GP and outgoing Chair of the AMA Council of General Practice, Dr Brian Morton, and immediate-past AMA Victoria President, and Chair-elect of the AMA Council of General Practice, Dr Tony Bartone, both nominated for the post.

Both AMA President and AMA Vice President serve a term of two years.

The AMA National Conference will be held in Canberra on 27 to 29 May.

Sub-par policies put millions on the hook

Main points

- **Third of health policies have restrictions/exclusions**
- **Out-of-pocket costs up 4.1 per cent**
- **Medical service charges dwarfed by hospital, dental payments**
- **Industry after-tax profits reaches \$1.14 billion**

More than a third of private health insurance policies provide only partial cover, leaving millions of patients at risk of big out-of-pocket payments and surprise exclusions for vital treatments and procedures.

In evidence that the quality of insurance cover held by patients has declined as premiums have surged higher, an analysis of official industry data by *The Australian* has found that although Australians are clinging on to their cover – the share with insurance held steady at 47.2 per cent in the first three months of the year – the proportion of policies that have exclusions and restrictions has jumped from 5.2 per cent to 37.7 per cent in the past decade.

As a result, out-of-pocket costs in the first three months of 2016 were 4.1 per cent higher than a year earlier, reaching an average of \$305.

The deterioration has coincided with hefty annual increases in insurance premiums, averaging above 6 per cent.

The results underline mounting warnings from AMA President Professor Brian Owler about the deteriorating quality of cover provided by insurers.

The AMA President said it had become virtually a daily occurrence for patients booked in for common treatments to discover upon arrival that they were not covered by their insurance.

He said all too often insurers made changes to a policy after it had been bought without informing policyholders, leaving many unexpectedly stranded.

“People are shocked to make this discovery only when they need a particular treatment, and doctors are seeing this happen on a daily basis,” Professor Owler said.

Earlier this year, the AMA released its inaugural *Private Health Insurance Report Card*, which showed that many insurers offered ‘junk’ policies that provided public hospital-only cover, and revealed big differences in the benefits that they paid for the same procedures.

“The results underline mounting warnings from AMA President Professor Brian Owler about the deteriorating quality of cover provided by insurers”

The AMA’s concerns have been echoed by an Australian Competition and Consumer Commission report highly critical of the quality and accuracy of information provided by the health funds, which the watchdog said served to confuse consumers about what they were covered for and hampered their ability to make informed choices.

The Federal Government has launched a review into the private health insurance industry to examine regulation of the sector, including the setting of premiums.

Health Minister Sussan Ley promised “broader structural overhauls” made to industry regulation, and has launched a separate review of the Prostheses List.

Insurers have tried to deflect consumer anger about relentless premium increases, accusing doctors of charging huge fees and complaining about prices charged for prostheses.

But Australian Prudential Regulation Authority figures show that average hospital accommodation and nursing costs per episode (\$2204) dwarfed the amount paid for medical services (\$60).

Continued on p23 ...

Sub-par policies put millions on the hook

... from p22

In fact, in the March quarter more was paid out by insurers for dental treatment (\$636 million) than medical services (\$548 million), and they spent substantial sums on ancillary benefits including optical (\$229 million), physiotherapy (\$104 million) and chiropractic (\$80 million).

The relentless rise of premiums and deterioration in the quality of cover has put industry practices, particularly its hunger for profit, increasingly under scrutiny.

Since the privatisation of Medibank Private, the market share of for-profit insurers has surged to 63 per cent, something AMA Medical Practice Committee Chair Professor Robyn Langham said had been a “game-changer”.

“We now have an industry dominated by the interests of for-profit health insurers rather than not-for-profits, with a subsequent shift of focus from providing patient benefits to increasing profits for shareholders,” Professor Langham said.

APRA figures show that the after-tax profit of insurers reached \$1.14 billion in the 12 months to March. Premium revenue grew 6.8 per cent while benefits paid out rose by 5.4 per cent and expenses were flat. As a result, the net margin increased from 4.4 to 5.6 per cent.

In its submission to the Government’s review, the AMA warned that industry practices including downgrading existing policies, habitually rejecting claims, lumbering patients with bigger out-of-pocket costs, pressuring policyholders into reducing their cover and selling people cover they don’t need, were badly compromising the value of private health cover and could eventually upset the delicate balance between the public and private health systems.

“On their own, these activities reduce the value of the private health insurance product,” the AMA said in its submission to the Review. “Collectively, they are having a destabilising effect on privately insured in-hospital patient care and treatment.”

ADRIAN ROLLINS

Online authorities – bug your provider

The AMA urges everyone who prescribes PBS Authority medicines and who is tired of waiting on hold while a clerk approves their prescription, to contact their practice software provider now.

The Department of Human Services is trialling an automated online approvals system for PBS Authority medicines this month. Around 30 volunteer medical practitioners, including AMA members, are testing the system which will negate the need to phone the PBS Authority Approvals phone line for most PBS Authority medicines.

AMA lobbying over many years has been a key driver in prompting the online system.

Our members report spending hours each week waiting on the phone for an approval to prescribe PBS Authority medicines. The AMA’s analysis of the Department’s own call line waiting time data shows that an estimated 25,000 patient consultations are lost every month while medical practitioners wait to obtain authorities to prescribe medicines.

The online approvals system is expected to be available to all prescribers from 1 July 2016.

The catch is that prescribers will need to log in to the Department’s *Health Professionals Online System* unless medical practice software providers get on board.

Obviously, the online PBS Authorities system must be available directly from doctors’ clinical and prescribing software, with online forms automatically populated from existing data. However, medical practice software providers will only develop products that include online PBS Authority approvals functionality on the basis of ‘client interest’.

AMA President Professor Brian Owler has already written to the overarching organisation representing medical software providers, the Medical Software Industry Association (MSIA), urging early adoption but it’s important that the industry also sees strong interest directly from its clients.

The AMA therefore encourages everyone who prescribes PBS Authority medicines to contact their software provider asking them to add this functionality as a high priority.

The Department of Human Services has regular meetings with MSIA, so all medical software providers should be aware of the imminent availability of the online system.

GEORGINA MORRIS

Off to Rio, with protection



The Rio Olympics should go ahead despite Brazil's Zika virus outbreak, though visitors and athletes should be made fully aware of the disease and how to avoid catching it, AMA President Professor Brian Owler has said.

The epidemic, which has been declared an international health emergency by the World Health Organisation, has cast a long shadow over preparations for the Olympics, which are due to open on 5 August.

Fears that the disease, which has spread to 58 countries, causes microcephaly and other serious birth defects have been confirmed by a number of studies – most recently by an international team of scientists publishing in the journal *Nature* in May.

The collaboration of researchers from the United States, Brazil

and Senegal found that the Brazilian strain of the Zika virus was able to penetrate the placenta membrane of mice and infect the foetus during the later stages of pregnancy.

The findings underline warnings that women who are, or are planning to become, pregnant should take particular care if they live in, or are travelling to, an infected area.

The virus is primarily transmitted by mosquito, and the WHO has advised that people in infected areas should apply insect repellent regularly, wear clothes that cover as much of the body as possible, and to use mosquito nets and fly screens.

But Zika can also be transmitted sexually, and the WHO said all who have been infected with the disease and their partners should use condoms or abstain from sex during pregnancy.

The Australian Olympic team is being supplied with antiviral condoms.

“There has to be very clear advice for people that are travelling to Rio,” Professor Owler said. “We need to make sure, particularly, women that are of a child-bearing age are educated about this issue, and also the male partners, because there is a rate of sexual transmission as well...that might occur when they return home.”

ADRIAN ROLLINS

Tobacco company accused of ‘abuse’

Tobacco giant Philip Morris Asia has been condemned for an “abuse of rights” over its failed challenge to Australia’s plain packaging laws in an international tribunal.

Details of the ruling by the Permanent Court of Arbitration (PCA) show the court took a dim view of the case mounted by the cigarette company, which argued that the legislation impinged on investor rights set out in the 1993 trade deal between Australia and Hong Kong.

As reported by the ABC, the PCA ruled that the main, if not only, reason the company had restructured its operations to establish a Hong Kong entity was to “gain protection under the treaty in respect of the very measures that form the subject matter of the present arbitration”.

“The tribunal cannot by conclude that the initiation of this arbitration constitutes an abuse of rights,” the PCA said, and found the claims were inadmissible.

The ruling, the substance of which was first made public in December last year, is the latest in a long list of defeats for Big Tobacco in its legal battles to have the plain packaging laws overturned, or at least found in breach of Australia’s treaty obligations.

Both the major parties have committed defending the legislation against local and international legal action.

ADRIAN ROLLINS

GPs the latest to endorse prostate test clinical guidelines

GPs have become the latest medical professionals to formally endorse Australia's first clinical guidelines for prostate specific antigen (PSA) testing and early management of test-detected prostate cancer.

The Prostate Cancer Foundation of Australia (PCFA) and Cancer Council Australia published the guidelines in January this year after they received the tick of approval from the National Health and Medical Research Council (NHMRC).

The Royal Australian College of General Practitioners (RACGP) formally endorsed the guidelines on 10 May, joining the Urological Society of Australia and New Zealand, the Royal College of Pathologists of Australasia, the Faculty of Radiation Oncology, and the Australian College of Rural and Remote Medicine in support.

PCFA chief executive officer, Associate Professor Anthony Lowe, said the guidelines would help GPs to advise patients who were considering testing or had decided to have the test.

"We are delighted to have the RACGP recognise the importance of the guidelines for clinical practice," Associate Professor Lowe said.

"This will hopefully help us gain consistency on how the PSA blood test is used to assess Australian men's risk of prostate cancer.

"By having the support of GPs, urologists, radiation oncologists, and pathologists, we will continue to improve the process by which men undergo testing to maximise the benefits and minimise the harms of the PSA test."

Measuring PSA concentration in the blood has become the primary method of testing for prostate cancer, but it is not a reliable marker for presence of disease as it is not specific to cancer.

While it is widely used, its benefits are debatable. It is estimated that between 20 and 40 per cent of prostate cancers diagnosed following a PSA test would never have bothered the men in whom they were detected.

Treatment of prostate cancer can cause adverse side effects, including incontinence, erectile dysfunction, and bowel problems. In the case of an over-diagnosed cancer, the harms are not justified.

The guidelines recommend that men be advised of the benefits and harms of testing when making the decision to have the test or not.

They also advise that men who decide to undertake regular screening should be offered PSA testing every two years from age 50 to 69. Men aged 70 and over should be advised that the harms may outweigh the benefits in their age group.

Cancer Council Australia chief executive officer, Professor Sanchia Aranda, said the guidelines were developed through a rigorous process involving experts from all clinical disciplines that participate in the clinical management of test-detected prostate cancer patients.

"The use of the guidelines will hopefully lead to the reduction of unnecessary testing and over-treatment of prostate cancer, especially in men with early-stage cancer," Professor Aranda said.

PCFA and Cancer Council Australia will soon launch a decision aid to assist GP-patient discussions.

Meanwhile, Australian researchers have shown that only 15 per cent of websites dealing with prostate cancer are reliable.

Associate Professor Nathan Lawrentschuk from the University of Melbourne told *The Australian Financial Review* that the researchers found that more than a quarter of websites had commercial sponsorship.

Associate Professor Lawrentschuk recommended that men download a free toolbar, the HonCode, which identifies if a website is accredited by the World Health Organisation.

The toolbar turns red if the site is accredited and remains pale if it is not. Commercial websites and those that lack transparency, adequate data or offer biased information are excluded.

Associate Professor Lawrentschuk said men should be sceptical of unaccredited sites as "you can't be sure you are reading transparent, high-quality, unbiased information".

MARIA HAWTHORNE

Govt fails to put bite on axed dental scheme



A free dental care scheme for children, axed in the Federal Budget, will continue to operate beyond 30 June after Parliament failed to abolish it before the election.

The Government said it was abolishing the former Labor government's Child Dental Benefits Scheme (CDBS) because it was a failure, treating less than one-third of eligible children and with \$4 million of incorrect claims being investigated.

It proposed a new \$1.7 billion Child and Adult Public Dental Scheme (caPDS), with the Commonwealth's contribution to the states and territories capped at 40 per cent of the national effective price for dental services, and funding available on a first-come, first-served basis.

The CDBS was due to end on 30 June, but the Government failed to get the legislation through Parliament before it was prorogued ahead of the 2 July election.

The Australian Dental Association (ADA), which is running a campaign against the closure, has urged families to take advantage of the delay.

"The ADA is encouraging all eligible patients to make appointments for treatment under the CDBS with their preferred dentist as soon as possible," ADA President Rick Olive said.

Dr Olive said that the lack of an agreed funding distribution model "raises the spectre of a Hunger Games-style scenario" where some states and territories ended up with the lion's share

of funding, leaving the remainder with insufficient funds to meet the new demands on their public health systems.

"Additionally there is no guarantee that eligible patients from rural areas will be able to access a public dental clinic close enough to receive treatment, widening the accessibility to dental services divide still further between rural and regional Australian and their city brethren," Dr Olive said.

In contrast, under the CDBS, rural and regional patients can simply go to their nearest participating local dentist to receive treatment.

People living in towns like Chinchilla in Queensland and Casterton in Victoria will be forced to travel long distances for dental care, or wait for services to come to them.

"The ADA supports enshrining funding for states and territories in legislation," Dr Olive said.

"However, without a fair distribution model and guarantees that eligible patients have the choice to either access public clinics or their local dentist appropriate to their specific circumstances, patients from smaller states and regional and rural areas stand a real risk of missing out on dental care under the Coalition's caPDS."

MARIA HAWTHORNE

New partnership to tackle polio

Japanese pharmaceutical giant Takeda has teamed up with the Bill & Melinda Gates Foundation in a new push to eradicate polio.

The Gates Foundation is providing US\$38 million (AU\$52.5 million) to Takeda to develop, license and supply at least 50 million doses a year of Sabin-strain inactivated poliovirus vaccine to more than 70 developing countries.

Takeda president and chief executive officer Christophe Weber said the company was honoured to partner with the Gates Foundation.

"This represents a major commitment by a Japanese company to the health of children in developing countries around the world," Mr Weber said.

The vaccine will be manufactured at Takeda's facility in Hikari, Japan, and will be provided at an affordable price to developing countries receiving support from Gavi, the Vaccine Alliance.

"In 2016, the world is closer than ever to eradicating polio," Gates Foundation global development president Chris Elias said.

"To eradicate polio, we need to ensure that every last child is protected from the disease. This partnership will help to ensure that the world has enough vaccine to get the job done and maintain a polio-free world."

Polio is so highly infectious that the World Health Organisation considers a single confirmed case to be an epidemic.

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MARIA HAWTHORNE

INFORMATION FOR MEMBERS

AMA Career Advice Service and Resource Hub (ama.com.au/careers)

You may have heard about, or seen, the recently newly-launched AMA Career Advice Service and Resource Hub. The website content has recently undergone a major makeover and you are invited to visit the website to see for yourself what is available to assist you in your career or career progression.

With pages providing enhanced and expanded information to those wanting to study medicine, doctors in training and international medical students and graduates, as well as new pages on caring for yourself and global health opportunities, as examples, with better and easier access to AMA practical resources, the site provides a more comprehensive suite of resources than ever before. With further enhancements coming over the months ahead which will include advice on preparing for independent practice, and strategies for transitioning from clinical practice to retirement or non-clinical roles, and the specialist training pathway guide, the site and the complementary one-on-one advice service, adds real value to your membership.

The service offers through the Career Adviser, (careers@ama.com.au) Christine Brill, who has had 32 years working for the AMA and with the profession; advice on resume building (with a

model template), addressing selection criteria and cover letter advice as well as tips and tricks on preparing for interviews - which we know are daunting for most. The service aims to ensure that AMA members get their applications noticed and perform well at interview - giving them the edge in an increasingly competitive training and employment environment. As well as this Federal resource, AMA Victoria offers an advice service to Victorian doctors and AMA NSW offers a service to its members.

This site is not just for our doctors in training, but there is a strong emphasis on this cohort of the profession at this time. New pages include global health opportunities, life after graduation, looking after yourself and your finances - with further resources to be added to these pages in the coming months.

The site provides for easy access to AMA resources for the profession; such as the GP toolkit, AMA media statements and its position on a range of issues of concern to the profession - particularly related to student numbers, training places and access, the value of general practice and funding of public hospitals.

AMA Member Benefits

AMA members can access a range of free and discounted products and services through their AMA membership. To access these benefits, log in at www.ama.com.au/member-benefits

AMA members requiring assistance can call AMA member services on **1300 133 655** or memberservices@ama.com.au

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Fees & Services List: A free resource for AMA members. The AMA list of Medical Services and Fees assists professionals in determining their fees and provides an important reference for those in medical practice.



Career Advisory Hub: Is your one-stop shop for expert advice, support and guidance to help navigate your medical career. Get professional tips on interview practice, CV reviews, and application guidance to get competitive edge to reach your career goals.



Amex: As an AMA member, receive no-fee and heavily discounted fee cards including free flights and travel insurance with range of Amex cards.*



Volkswagen: AMA members are entitled to a discount off the retail price of new Volkswagen vehicles. Take advantage of this offer that could save you thousands of dollars.



AMP: AMA members are entitled to discounts on home loans with AMP.



Hertz: AMA members have access to discounted rates both in Australia and throughout international locations.



Hertz 24/7: NEW! Exclusive to the AMA. AMA members can take advantage of a \$50 credit when renting with Hertz 24/7.



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Virgin Lounge: AMA members are entitled to significantly reduced joining and annual fees for the Virgin Lounge.



MJA Bookshop: AMA members receive a 10% discount on all medical texts at the MJA Bookshop.

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