

Australian Medical Association Limited

ABN 37 008 426 793

42 Macquarie Street, Barton ACT 2600: PO Box 6090, Kingston ACT 2604
Telephone: (02) 6270 5400 Facsimile (02) 6270 5499
Website : <http://www.ama.com.au/>



**Transcript: Doorstop, Mural Hall, Parliament House, Canberra
Friday 1 July 2016
AMA President Dr Michael Gannon**

Subject: Health Policy for the Federal Election

MICHAEL GANNON: Okay, thank you for coming today.

The AMA has had a lot to say during the election campaign. Two months ago we put out our policy document talking about the key health issues for the campaign. We've been talking about them again over the last few weeks. The freeze on GP and other specialist rebates, the importance of funding for public hospitals and preventable health, and the importance of unravelling the gap payments in the areas of pathology and radiology. We have had plenty to say about the policies of the major parties, and the Australian people have a decision to make tomorrow. We are ready to work with whoever is elected, both the Government and also whoever is elected in the Senate, the House of Review.

QUESTION: How much more will patients have to pay to see a doctor if Malcolm Turnbull wins tomorrow?

MICHAEL GANNON: Well, that's one of the things we're so concerned about with the freeze on GP rebates is that the GPs tell us they're at breaking point, and their ability to continue to take the hit, the ability to continue to provide a quality service at the level of the patient rebate is nearly over. If they do make the decision that it's time to start billing patients, there could easily be amounts like \$15 a patient. That's what we are concerned about. We know that there are people, who if they are asked to pay \$15 to see the doctor, they will defer important care, just leading to them getting sicker and sicker.

QUESTION: You were saying earlier in the week it could \$25?

MICHAEL GANNON: That's what some of our GP members are telling us, is that if they start charging, if they decide that it's all too much and they need to start charging, and therefore they need to develop that infrastructure, they need to pay for bookkeepers, to pay for account staff, to put on extra staff at the front desk, then that's what some people will end up paying. It won't be the \$3 or the \$7 if they have to pay for the infrastructure. It might easily be that amount.

QUESTION: How soon are doctors telling you they will start charging [indistinct]?

MICHAEL GANNON: We know there are some GPs that are already changing their billing practices, and that commences today, on 1 July. The reality is that there are a lot of GPs who've decided that they could probably take the hit for a couple of years, but they are saying enough is enough. They can't run their small business at the level of the patient rebates. They can't pay for their practice nurse, they can't pay for their reception staff, and they can't pay the increasing costs of simple things like electricity and power and stationery if they accept the patient rebate as the total fee for seeing them.

QUESTION: The Labor Party says this election campaign is about saving Medicare. Do you agree?

MICHAEL GANNON: What we heard during the election campaign was an assertion that there was a desire to privatise Medicare. I've seen no evidence of that; I've heard not even a whisper that that's the case. What we can say is that the Labor Party has stronger policies in areas like bulk billing, in areas like access to pathology and radiology services. For many people, their vote in this election will be on health; there are many areas where the Labor Party has stronger policies.

QUESTION: So is this an election campaign about saving bulk billing?

MICHAEL GANNON: Bulk billing is one part of the health system. What is so important is that the neediest in our community, the most vulnerable in our community, don't have a significant price impost in deciding to visit the doctor. We know, sadly, that for some people just paying as little as \$5 out of pocket might be enough to lead to them deferring an important visit to the doctor. GPs provide enormous value for money in preventative healthcare. If GPs can manage chronic disease well, they can keep people out of hospital, they can save a lot of misery, and they can actually in the end save money for the health system, not resulting in patients having expensive hospital admissions.

QUESTION: If Malcolm Turnbull wins the election, do you think people are aware that they will have to pay \$5 more for prescriptions from January next year, and are you concerned that people may give up some of their medicines if they can't afford them?

MICHAEL GANNON: We know that the neediest in our community will defer accessing care. We know that they will defer going to specialist appointments, having ultrasounds or x-rays, perhaps filling prescriptions. That's our concern. What we've heard a lot from the Prime Minister in this campaign is working out ways that those who can afford to contribute to their healthcare are doing so. The AMA is not against that. We know that the Government, whoever they're elected, faces a massive deficit and we need to get smarter as to how we fund the health system.

But what we must have is protections for the neediest in the community. So there are some people who literally can't afford to pay \$5 for a prescription. Of concern, if the whole family is sick, or if you are talking about someone who is on a number of medications, it might add up to five, ten, fifteen, twenty dollars. We need to find a way to sustainably fund our health system; at the same time we need to find a way to protect those who need our protection.

QUESTION:

On that issue, you mentioned that Labor has another stronger policy [audio skips] obviously supports to protect [indistinct] but on the other hand the Coalition is making a number of savings that they say - some of which Labor has supported - that the Coalition says will be needed to sustainably fund the health system going forward. Which side should voters decide with in terms of sustainably of funding [indistinct]?

MICHAEL GANNON:

Well it's not the AMA's job to pick winners in the election campaign. Some people will register their vote on health, others will vote on a variety of other matters of importance to them. I think that what the AMA has said throughout the campaign is that we want to be mature participants in a debate on how we sustainably fund our health system, not for the three years of this Parliament, but for the next 13 years, the next 20 years. So we need to be able to have intelligent conversations about how we fund public hospitals, about how we invest in preventative health, about how we fund the whole of the health system. So it's important that we have those conversations in a mature and appropriate way. Equally, right in the now, we need to talk about how different policies might make it harder for the poorest in our community to access care.

QUESTION:

Are you disappointed that, given health is such an important issue in this campaign, there has not been a health debate or even really a major health policy [indistinct]?

MICHAEL GANNON:

I'm disappointed that we didn't see a formal debate at the Press Club. I think that would have been worthwhile. We are always interested in scratching the surface, or doing more than scratching the surface, having a really intelligent debate on the health system. We need to have these discussions. What we're doing now is not sustainable in terms of paying for the health system. We need to be able to have those conversations about how we pay for it, but so important in any discussion on user pay systems is how do we protect those who can't protect themselves. Importantly in this election campaign, we've seen the AMA again make its policies very clear on bulk billing incentives for radiology and pathology, and the sooner we unravel the freeze on GP or specialist rebates, the better.

QUESTION: Are you concerned that Malcolm Turnbull does not seem to have listened to doctors who have been making the remarkable move of running their own ad campaign against the Government's policies during this election?

MICHAEL GANNON: I'm very disappointed that we haven't seen the Coalition make any undertakings to unravel the freeze. It needs to happen. It's a matter of time before it does happen, but the sooner the better. Equally, we want to engage with whoever is elected to have conversations about how we can fund the health system, how we can work out ways that those who can afford to make a contribution to their healthcare do so, but equally the protections are there for the neediest in our community.

QUESTION: And do you think that protecting the needs of the most vulnerable in our community in the short term now is going to hinder our abilities to sustainably fund the health system going forward?

MICHAEL GANNON: Well, I think we are capable of searching for that balance and what that requires is intelligent discussion. I think that whoever is elected tomorrow will be on more solid ground in making good health policy if they talk to doctors, if they talk to the AMA. We want to partner with whoever is elected in the House of Representatives, we want to talk to whoever is elected in the Senate, to try and come up with the health policy that serves Australia and Australians, but not just the next three years, but well into the medium term.

QUESTION: You say you don't think the Coalition has plans to privatise Medicare, but if doctors start introducing \$25 charges and you are paying \$5 more for the prescriptions, will Medicare as we know it today, be different with a Coalition government?

MICHAEL GANNON: It depends a lot on what you think Medicare is. For a lot of people Medicare means free public hospital treatment and bulk billed visits to the GP. Now, they are important elements of our health system but that's not all of what Medicare is. When someone says Medicare and says that it needs to be protected, what they are talking about is universal healthcare so that whoever you are, whichever part of Australia you are, whichever State you are in, whether you are in a metropolitan area or rural area, whether you are born in Australia or you've come from overseas, that you get a high standard of health care from GPs, from other specialists, and from allied health professionals. So, I don't hold bulk billing up to be an absolute that must remain forever but what we must have is people having genuine access to health services and for many people in our community that means not going into their pocket to bring out what other people would regard as even a small amount of money.

QUESTION: [Inaudible question]

MICHAEL GANNON: As our system currently stands, the freeze on patient rebates is inhibiting the care of those who need it most in our community. It's unfair that those GPs and other specialists who have accepted the patient rebate as the total cost of their care are being penalised. It's not sustainable because those small business people have expenses that increase year on year on year. What GPs will do, what other doctors will do is make sacrifices to make sure their patients get the best possible care. They tell us they're at breaking point, the freeze needs to be unravelled.

QUESTION: [Inaudible question]

MICHAEL GANNON: Well, that's an individual decision for all of them, Labor's already made an undertaking to unravel the freeze within six months if elected. If the Coalition's elected, we will continue to try and make the case that this is an important area of the health system. We are not against the idea of people who can afford to pay for elements of their health care, but what we want to see is if people who get acutely unwell, who lose the ability to work, who face an acute health crisis, we want to see them looked after and we want to see those who have chronic illnesses looked after in a health system that we are all very proud of.

QUESTION: [Inaudible question]

MICHAEL GANNON: Well, we will continue to have these conversations with whoever's elected ...

QUESTION: [Inaudible question]

MICHAEL GANNON: Well, I think that everything should be on the table. We should look at ways of funding the health system. The Medicare levy has never fully funded the whole of the health system. It's a bit of a fib to suggest that it has. Health is responsible for taking up 16 per cent of the Budget. That's a great investment in the productivity of our community. I've heard a lot in recent weeks about the economy, I've heard a lot about innovation. One of the ways that you can have a healthy economy is to have a healthy population. So, investing in preventative health, investing in public health, investing in various ways in how people can function and get back to work, be productive members of society, that's a win for the economy, that's a win for our society.

QUESTION: So, can I just [indistinct].

MICHAEL GANNON: There are GPs all around Australia over the past 10 years that have made a decision to stop bulk-billing because the patient rebate is not an amount of money that they can sustainably fund their practices. For a lot of people, they are making the decision to do that soon.

I'm aware of a small number of practices who have chosen today, as 1 July, as a smart day to make those changes. There are some GPs who have said '*enough is enough, I cannot provide a quality service for my patients at this level*'. We want them to be protected by having an increase in patient rebates. That has to happen at some stage, the sooner the better. Equally, we are interested in having a health system that will sustain the country as pressures on the health system, like the ageing of the population, like overweight and obesity, like mental illness, continue to grow. We need to have those conversations about how we fund the health system into the medium term.

QUESTION: [Inaudible question]

MICHAEL GANNON: We've surveyed our members in recent weeks and a lot of them have told us that they have to look seriously at making this move. We didn't ask them specifically the question - are you changing over on a certain date? What we know is that a lot of individual practices will be making this decision, a lot of individual practices will be saying we can no longer keep our doors open at this level. You can't keep providing a quality service at the level of the patient rebate unless you see more patients. What we want is a quality system where GPs and other specialists take the time to invest in their patients, in each individual consultation. It's harder and harder for them to do that at the level of the patient rebate.

QUESTION: [Inaudible question]

MICHAEL GANNON: We don't know exactly how many doctors will make this decision. What we do know is that the extension of the freeze announced in the Budget is too much for some doctors. Some of them have said that they could maybe cope with this for two years but they cannot cope with it for another four years. If the Coalition is re-elected tomorrow, we will continue our campaign to ask them to unravel the freeze. We need to get them to recognise that general practice is not the problem in our health system, although health makes up a significant line item in the Budget, it's not GPs that are the problem in a health system where the costs continue to grow. Alright, thank you very much.

1 July 2016

CONTACT: John Flannery 02 6270 5477 / 0419 494 761

Follow the AMA Media on Twitter: http://twitter.com/ama_media

Follow the AMA President on Twitter: <http://twitter.com/amapresident>

Follow *Australian Medicine* on Twitter: <https://twitter.com/amaausmed>

Like the AMA on Facebook <https://www.facebook.com/AustralianMedicalAssociation>