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Transcript: AMA President, Dr Michael Gannon, FIVEaa, *Mornings with Leon Byner*,
 Friday 4 May 2018

Subject: Health spending in the upcoming Budget, Medicare rebate, MBS Review

LEON BYNER: So, what we've got today is some announcements from the Federal Government that the patient rebate for Medicare – going to the doctor, your normal GP – is going to rise. We've got Dr Michael Gannon from the AMA, Federal President.

Michael, what do you say? Good morning.

MICHAEL GANNON: Well, we're waiting for the same details you're waiting for. Experience tells me to wait for the Budget papers themselves, but certainly there are a number of areas that we've been working with the Government on. Perhaps the most important measure, which was discussed in last year's Budget, is the re-indexation of patient rebates. When you go and see a GP, or for that matter any other specialist, you're going to get slightly more money back. That's long overdue. As for all the other measures related to health, I think, like everyone else, we're waiting for Tuesday.

LEON BYNER: Alright. In terms of bulk billing, we get a lot of feedback from callers about co-payments, and when I look at the Government's statistics on this – and I have no reason to believe that they're inaccurate – South Australia has about 85 per cent of practices that bulk bill, yet we get so much feedback about co-payments. Why would that be?

MICHAEL GANNON: Well, the first thing I'd say is that the word 'co-payment' became a dirty word a couple of years ago when the Government introduced – the then-Abbott Government – introduced a mandatory co-payment, and told doctors that unless they acted as tax collectors they were actually going to further reduce patient rebates, if doctors accepted the bulk billing rate. But, if what you're talking about is a patient contribution ...

LEON BYNER: Yes.

MICHAEL GANNON: ... I'm not surprised that you get more feedback. When we look at the 85 per cent number, that refers to the total number of services – not the number of practices – and the reality is that many, many private billing practices will bulk bill pensioners, children, people on health care cards, those who they know are on hard times, those who they might be seeing frequently over a short period of time; it might be even something is a diagnostic dilemma. You might say to someone: I'm not sure what this rash is, I'm not sure what this symptom is, but just come and see me in two or three days' time and I'll elect to bulk bill, recognising the impact of out-of-pocket costs. This is why the Medicare freeze has been so harmful, because the ability of doctors in private practice, those of us who are paying staff, paying rent, paying for utilities, running small businesses; if we accepted the patient rebate as the total fee, we would be struggling to make a living. So, the Medicare freeze has been very, very harmful in terms of increasing out-of-pocket costs for people seeing GPs and all other specialists.

LEON BYNER: Now, we know that the Medicare rebate for GPs is to go up, but you've got issues like knee MRIs, sleep studies, back surgery are going to be restricted. Do you think that's a fair payoff?

MICHAEL GANNON: Well, what you're talking about there is you're making reference to some of the announcements that have come out of the MBS reviews. So, the previous Minister, Sussan Ley created the MBS Review. We applauded her at the time for the level of clinician involvement she established. She got someone called Professor Bruce Robinson to oversee the

whole thing, and he appointed experts in every clinical area. Some of these reviews have been very good; some of them have functioned less perfectly. Not everyone is happy about the changes, but one of the things I will say overall is that the Government has gone out of their way to ask doctors at the coalface about what they think. We know that not all doctors are happy about all of the changes, but there has been a clinician-led, evidence-based process, and we're able to support most, if not all of the changes.

LEON BYNER: That's the AMA Federal President, Dr Michael Gannon.

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