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Transcript: AMA President, Professor Brian Owler, Doorstop, Sydney, 19 May 2016

Subject: Labor’s Medicare Freeze Policy

BRIAN OWLER: Thanks very much for coming along. Today is a very important announcement in the context of this election campaign. What we've heard today from the Labor Party is that, if they are elected, they will lift the Medicare rebate freeze. Now, that is something that the AMA has been campaigning for for some years, certainly since the 2014 Budget when the rebate freeze for four years was announced and, of course, more recently, the move that really angered GPs, the extension of the freeze out to 2020. Almost seven years of the patient's rebate being frozen. So, today is a very good announcement, not only for doctors but particularly for patients. Now, the effect of the freeze is that the patient's rebate- and we must remember it is the patient's rebate at the end of the day, would be frozen, not only for general practitioner services but for other services including specialists. And the effect of the freeze was that the costs, as they are rising, to provide the services, were going to have to be passed on from practices onto patients.

The Government was shifting its responsibility - still is shifting its responsibility from providing health care services and funding and shifting that back to the hip pocket of patients. It is inevitable that, under the freeze, out of pocket expenses are going to rise each time someone sees a doctor, each time they have an operation or a procedure. Labor's policy today protects the Medicare rebate, protects patients' rebates. It actually supports and cements one of the most important factors in our health care system, our Medicare system, and that is its universality. We know that if you put financial barriers in the place of patients going to see, particularly their GP, there are many patients that won't do it. And for practices that are servicing areas that have high concentrations of people on low incomes, large proportions of families, particularly with young children, patients that are older, are living with more complex and chronic diseases, the practice's ability to use its discretion and bulk-bill those patients was going to be challenged. And that is more patients receiving an out of pocket expense, more patients deferring going to see the doctor, meaning that they're more likely to end up in more expensive hospital care.

So, today's announcement from Labor is very welcome. What we need to see from the Coalition is them revisit their policies and come up with a better way to look at health, not just as a cost in the Budget, but as an investment in Australia's future and the health care of all Australians. Happy to take questions.

QUESTION: [Inaudible question].

BRIAN OWLER: Well, I think most people recognise that the rebate has failed to keep pace with the cost of providing quality health care services, but the freeze really exacerbated that and the overwhelming view of GPs around the country, reporting back to the AMA, as well as other groups like the Colleges, is that they have been angered about the freeze, about the money that's been taken out of general practice, the impact that it's going to have on their patients and so, yes, while there are concerns about, I think, the rebate and its underlying value and the fact that it has been eroded, the freeze has meant that that's been much more accelerated.

So, committing to investing through continued indexation of the rebate is a very important step if we are going to continue the sort of excellent outcomes that our health care system has delivered. So, I think we also have to recognise that this is I think a \$2.4 billion commitment over four years, more than \$12 billion over the 10 years. That's a very significant amount of money that's going into health care, particularly in general practice and primary care, and I think that marks the Coalition's and Labor's policies out as being very different when it comes to health. Now, the AMA is not in the business of endorsing one party over another, but I think when it comes to this election, I think people will be balancing up the health care policies, and health is always one of the very high priorities that people have when they're looking at who they're going to vote for, that's very consistent. And it actually is pleasing that we have now a debate around this health policy, that we have two clear policies, very different policies, that are going to be put to the Australian people, and I think it's very important that they weigh those up, and look at what they want for the Australian health care system in the future. And it's not too late for the Coalition to re-examine some of their policies to make sure that we actually do get the health care system that Australia deserves, and it actually needs, if we are going to be a productive and advanced nation as we should be.

QUESTION: [Inaudible question].

BRIAN OWLER: Well, I think we're still waiting for Labor to announce its policies around public hospitals. We've heard from the Coalition around the \$2.9 billion dollars of extra funding that it's provided for public hospitals, which is certainly welcome, but we've always felt that that's going to be much less than what is really needed. We've heard from the Coalition that they want to have health care homes, and that's something that we've supported as well, but unfortunately only \$20 million being announced as part of a trial. All the while while \$925 million is being taken out through extension of the freeze. So I think we need to get into those policy discussions around how we actually manage chronic disease. We've heard some policy that's been put out, unfortunately the funding is the thing that's missing from the Coalition policy, but we'd like to see in the future how the Labor Party is going to deal with those issues in Government as well.

QUESTION: [Inaudible question].

BRIAN OWLER: Well, I think the first thing is that we need to actually engage with the medical profession; the Government needs to engage with the medical profession, not only the policy issues around funding, but in terms of workforce. We've seen Health Workforce Australia, as part of the 2014 Budget, absorbed back into the Department of Health, but many of its activities have also disappeared. So there is that lack of policy and planning that is there - that should have been there. For general practice we've seen significant changes yet again.

I think as a specialist I look at general practice training, and it often surprises me that general practice has agreed to this process where its professional education, and the running of its training programs has essentially been subsumed by a government department. That's not the way that training works in other specialties, where they have much more autonomy, as they should have, over medical education and training, and I think that model is something that should be examined in the future as well.

But the key question is going to be how we actually train the GPs and the specialists of the future that Australia actually needs. Now it's one thing to have increased numbers of medical graduates coming out of medical schools, and we've certainly seen that, but we actually need to train those people. We need to deal with the pipeline, the medical training pipeline, to make sure that they are the GPs and specialists that serve the Australian population in the future. So we need investment in training places, not only for general practice, but also specialist training as well.

QUESTION: [Inaudible question].

BRIAN OWLER: No, I don't. I think there are issues with the distribution of GPs, and we need to make sure that the programs that we put in place, particularly to encourage GPs to practice in rural and regional areas are strong, that we actually make sure that we support GPs in those areas rather than undermine them as we've been seeing through the policies over the past few years, because they will have an impact as well. I mean it's one thing to say we want to support general practice, but if your policies are constantly undermining them, including in regional and rural Australia, then of course you're going to get problems with the distribution of GPs. So I think all of those things need to be considered to make sure that we get people working in the right areas, but they need to be supported and encouraged rather than vilified or underfunded as we've seen in the last few years.

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