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Transcript: AMA President Dr Michael Gannon, ABC News 24, 21 July 2016

Subjects: AMA's relationship with Government, Medicare freeze

ROS CHILDS: The head of the Australian Medical Association has left his first meeting with the Health Minister convinced the Government is set to thaw the freeze on doctors' rebates through Medicare. Michael Gannon spoke to Sussan Ley for more than an hour and says he'd be gobsmacked if the rebates were still frozen at the next election. The AMA President has been speaking to National Affairs Correspondent Greg Jennett in Canberra.

GREG JENNETT: Well, Michael Gannon, you've had a chance to pull out the peace pipe with Sussan Ley who you said had been silenced in the election campaign. Are you now convinced that she is un-muzzled and ready to act as Minister?

MICHAEL GANNON: Very much so. We had a productive meeting today. I look forward to working with the Minister, looking for areas of common ground. We won't always agree on things. There are various elements of Coalition health policy that we want to see unravelled. But I seek a productive relationship with her.

GREG JENNETT: Alright, we will get to the key issue you want unravelled, which is the freeze on rebates. But just looking back on the campaign, what about the AMA's own conduct, particularly on the privatisation claim that Labor had made? Some people say you took a bit of a while to get out and slap that down.

MICHAEL GANNON: What was on the table was a move to privatise the payment system, which is a very small part of what Medicare is. What I also said is that not only that it was a scare campaign but most importantly, that the Coalition had laid the ground for those policies with a number of really unpopular things in the system like the rebate freeze.

GREG JENNETT: Do you think, on reflection, you could have intervened on the privatisation claim just a little bit earlier?

MICHAEL GANNON: Look, I think that it only really got a great deal of airing about the time of Labor's campaign launch and yeah, perhaps our comments were modest at the time. We were at great pains not to play favourites during the election campaign. The AMA will always look at policies and look at issues one by one. There were numerous elements of health policy where we had marked the ALP ahead. But we certainly couldn't agree that there was anything like a move to privatise Medicare.

GREG JENNETT: Alright, well let's move on now to post-election. The Prime Minister has said he wants to address that fertile ground on which people could believe things like the Medicare claims Labor made. Now that includes taking action, I presume. What are you putting to them as the most immediate action they must take?

MICHAEL GANNON: I'd be very surprised if the Government took the freeze to the next election. The proposal is to continue the freeze on patient rebates until 2020. One of the first things I said to the Minister today, bearing in mind she hasn't even had the chance to go back to Cabinet, is that we want to see that unravelled.

GREG JENNETT: I think you've indicated you have expectations of movement in coming months, I think, were your words. What gives you that degree of optimism?

MICHAEL GANNON: I just think that we all seek a productive relationship in the area. I would say that it's good policy to unravel the freeze. I would say that amongst the budgetary problems this Government has, one of them is not primary care; one of them is not general practice. This is a good value for money area.

GREG JENNETT: We're talking about \$2.4 billion worth on the PBO costings done for Labor. That's just in the first four years. And the Treasurer has a discipline that says if you're going to loosen up in one area, you've got to find savings in another. Do you have any savings targets identified that could pay for that \$2.4 billion?

MICHAEL GANNON: What I think is important is that groups like the AMA, when they ask for increased funding in the health sector, that they are responsible with what they ask for. But what I'd say at the same time is that the nature of the scare campaign over Medicare is the Australian people said find your savings elsewhere.

GREG JENNETT: You think that's a mandate - or it's not a mandate but you think that's the overriding message that came from the narrow election win, do you?

MICHAEL GANNON: I completely agree with that statement. I think that the Australian people want their affordable access to see their GP, access to public hospitals. They've spoken. They've said that they are absolutely key things that they expect from their Government. They regard them as absolutely core services and I think the post polling, the exit polling, the private polling has told the Government that.

GREG JENNETT: Do you believe - because this came up in the election campaign - that the integrity or value of Australia's health care system is best measured by the number of free consultations, that is to say the bulk billing rate? That's the measure that Labor put on its policies?

MICHAEL GANNON: I've never regarded the bulk billing rate as a quality measure at all. There are various ways that we scientifically look at quality in the health system and I would sometimes get upset that high bulk billing rates are regarded as a measuring quality.

GREG JENNETT: You actually want to see it fall, do you, with the advent of more co-payments for those who can afford them?

MICHAEL GANNON: Well I think that the co-payment word is poison to Government and it's poison to the AMA. We opposed both versions of the co-payment back in 2014. Equally, the AMA believes that the patient rebate is not the appropriate fee for those patients who can afford to pay for quality health care. What we want to see is a mechanism by which the most vulnerable in our community are protected. There's good scientific evidence to show that even nominal out-of-pocket expenses will stop patients going to the GP. That's why the co-payment models proposed previously didn't work, and that's why we don't want to see them rear their head again.

GREG JENNETT: You don't think that's on the table for this Minister either?

MICHAEL GANNON: No, I don't think that there's any desire from either the Government or the AMA or anyone else in the health sphere to see the co-payments introduced. The AMA supports GPs privately billing those who can afford to pay. Equally we must see protections for the neediest in our community.

GREG JENNETT: Alright, Michael Gannon, we'll see where it goes. Thanks

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