



**AUSTRALIAN MEDICAL ASSOCIATION**  
(SOUTH AUSTRALIA) INC.  
ABN 91 028 693 268

7 March 2018

Mr Simon Hynes  
RTWSA  
Program Lead, Provider Regulation and Support  
Scheme Support  
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Dear Simon

**Medical Fees Consultation**

Thank you for the opportunity to comment in relation to the proposed fees for 2018-19, prior to the final decision and gazette of fees agreed.

We note the legislation requires Return To Work SA (RTWSA) to consult with stakeholders prior to a fee schedule. We note your initial paper forms part of the consultation process.

We request that our response be properly considered in light of the spirit of true consultation. Specifically we wish to register our concern on a number of assumptions that have been made in the method of calculation of fees and the decision making around the proposed increases (or not) that have resulted.

The AMA(SA) sought feedback from our members by way of our Reference Group and a survey to all members.

Whilst 90% of respondents agreed with the 1.8% increase, being the AMA equivalent for General practice attendance fees within Schedule 1A, 70% of respondents were not in agreement with the 'no-change' to fees for the remaining Schedule 1A and 1B fees. Respondents were a mix of General Practice and Specialists.

The lack of increase of fees for Specialists is regarded as a negative message to this group of doctors providing work for RTWSA and it is our general opinion that this will lead to a decline in providers across a range of specialities. This is particularly disappointing given the effort that has been provided over past years, at the request of RTWSA, to seek increased participation rates from clinical specialists.

For example, one area that has historically been a challenge has been psychiatry. The prevalence of mental health issues in the general community has increased and the awareness to address the problem is being recognised by Commonwealth and State governments. Yet in this offer we again see zero recognition for the psychiatric services being provided by psychiatrists. The latest lack of an increase for this group of specialists will mean that RTWSA has failed to provide an increase in fees to psychiatry for 7 years, the last being in 2011!

It is indefensible that this be seen as a recognition of the increased prevalence and the need to address psychiatric issues in the injured workers.

*As one psychiatrist stated "I work in a field where I understand many of my colleagues refuse to see or treat RTWSA patients. I suspect this decision would reduce the number of psychiatrists available to treat patients with mental illness".*

We therefore strongly suggest that this category of specialist fees be re-examined and an increase of 1.8% be made which would provide some acknowledgment for the CPI indexation and the additional infrastructure and service provision costs incurred by medical specialists.

There are several other specialty areas with similar arguments for fairer treatment. To this end we shall be seeking amendments in the legislation to allow a reasonable fee for specialists, to reflect that RTWSA patients are more difficult to manage, have very frequent psychological co-morbidities, and do not recover as well as private patients.

Specifically, the use of the average of fees charged to private patients is manifestly inadequate and does not reflect the 'average' RTWSA patient and presentations. This issue has been long argued by AMA(SA) and has been ignored. It is not until the fee structures can reflect true demands that it can be expected that RTWSA patients will get timely access to their specialist of choice, given that currently so many specialists simply refuse to see this group of patients.

We also note the increase is effective for 1 year with no ongoing 3 year CPI or other index. We find this again to be a failed policy and one that will only lead to further uncertainty in 2019. It is poor practice for a scheme of such importance and impact on the injured workforce to limp along with one year gazetted fees and no indication of surety for at least a 3 year period. Such policy only further acts as a deterrent for medical practitioners seeking to be engaged in the scheme.

Many of our members have commented on the need to recognise that the typical Workers Compensation injury, and medical assessment, is associated with additional paperwork and documentation over and above the normal consultation, hence cannot be compared with the present totally inadequate Medicare rebates which you would be aware have been frozen for many years.

*Another comment stated 'there is one fee for reports. This takes no account of the complexity of the report and the range of issues that need to be addressed. This leads to an inadequate reflection of expert opinion'.*

Whilst the nature of many tasks may become easier over time and by contrast, some harder, it is important to examine what the task entails and consider reductions and increases according to difficulty, complexity and time. The current perceived 'macro-economic' approach for complex tasks is seen to again lead to a poor reflection of value for effort for the medical profession.

Given the lack of increase in specialist areas and the absence of fee increases across some items, our membership is becoming increasingly intolerant of the medical profession continuing to absorb the ever increasing costs of their services without an increase in their fees. Many doctor's fees for private patients (for both consultations and surgical procedures) are already substantially higher than for compensable patients. The difference in reward is only partly offset by the provision of medical reports. An effective reduction in fees, which is what would happen were the fees for Medical Specialists to remain the same, would see a further reduction in the number of Surgical Specialists being willing to see compensable patients.

Whilst CPI is not high, it is not zero. It is incomprehensible that somehow, despite this fact that there is no increase in specialist fees. Indeed it has been previously stated that the average

increase in running a medical practice is well above CPI. This includes the increased charges for electricity, salaries, equipment, insurance, council rates and charges etc. All these costs are absorbed by the medical practice. Clearly the current RTWSA offer is well below these increases.

In summary, the AMA(SA) recognises and supports the previous agreement to move to AMA rates for General Practice Attendance fees within Schedule 1A. We have previously sought that RTWSA and previously WorkCover, move to AMA rates across *all categories* and medical groups. This we understand has been acceptable in other jurisdictions. It has not resulted in inadvertent price hikes and is acceptable within the profession. We again ask the RTWSA Board to consider this approach when considering the appropriate and respectful fee levels commensurate with the complexity of the work involved, the deterrence of the administration time and costs and the recruitment and retention of doctors willing to engage with the scheme and hence provide health care for injured workers.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Joe Hooper', written over a light blue horizontal line.

**Mr Joe Hooper**  
LLB(Hons), BSc(Nursing), DipAppSc, GAICD  
CHIEF EXECUTIVE