

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 3-5 June 2008

Question: bet 14

Topic: Medicare Levy Surcharge – Additional funding for States

Hansard Page: Written

Senator Cormann asked:

1. Since the budget, has Treasury at a departmental level or has the Treasurer had any formal or informal approaches from any state or territory Premier, Treasurer, Minister for Health or State Government official with a request for additional funding as a consequence of the decisions to increase the Medicare levy surcharge?
2. If yes, which States have submitted such requests for additional funding for public hospitals in compensation for the expected impact on the Medicare levy surcharge thresholds?
3. On what date did States submit or informally put forward any such request for additional funding?
4. What was the level of additional funding that has been requested by each State and Territory since the budget announcement to increase the Medicare levy surcharge thresholds?

Answer:

1. State officials have noted the possible impact of changes to the Medicare Levy Surcharge on demand for public hospital services in the context of COAG's consideration of new Commonwealth/State financial relations including for health, which are to be finalised by December 2008.

New South Wales has recently expressed support for the changes to the Medicare Levy Surcharge in the press. A spokesperson for the NSW Minister for Health, the Hon. Reba Meagher, MP said, "The Iemma Government welcomes any changes to Medicare that bring relief to working families, but will monitor the changes closely to make sure they do not have any adverse effects" (The Australian, 12 July 2008).

2. See answer to question 1.
3. See answer to question 1.
4. See answer to question 1.