



AUSTRALIAN COALITION FOR EQUALITY

EQUALITY FOR AUSTRALIA'S LESBIAN, GAY, BISEXUAL, TRANSGENDER & INTERSEX PEOPLE

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Committee Secretary
Community Affairs Committee
Department of the Senate
Parliament House
Canberra ACT 2600

Dear committee members:

RE: Inquiry into Health Insurance Amendment (Medicare Safety-nets) Bill 2005

We write to you as a party interested in the Community Affairs Committee's inquiry into legislation that will seek to raise the threshold levels for the Medicare safety nets. This submission has the support of the steering committee of our organisation.

The Australian Coalition for Equality is dedicated to achieving equality for lesbian, gay, bisexual, transgender and intersex (LGBTI) people in Australian national law and policy.

Our submission primarily concentrates on the discriminate nature of the current safety nets as applied to same-sex couples and their families. The discriminate application of the current safety nets will amplify the effect of increased out of pocket medical expenses due to the higher proposed thresholds.

Many states within Australia now allow same-sex couples to foster children, or co-adopt each other's children, or allow same-sex couples to be considered both parents of children on birth certificates. Similarly, most states now allow same-sex de facto couples recognition in law.

These couples and their families are ignored by the Health Insurance Commission and results in a situation which does not protect all families equally or fairly.

The current legislation relating to both the Medicare safety net and Pharmaceutical Benefit Scheme safety net specifically define a couple as either a married heterosexual couple or a de facto heterosexual couple.

Similarly, a family is defined as an individual or a couple (as defined above) with children.

Currently, these definitions specifically treat same-sex couples as two individuals with two individual safety nets. Similarly, same-sex couples have their families treated to a similar double safety net situation – as one member of the couple is specifically excluded from the family structure by law.

The double safety net situation already results in an increased financial burden on same-sex couples and their families, and increases to the thresholds will amplify that impact. This can be demonstrated with a case study.

CASE STUDY: Two families under current and future safety nets.

Family A is a heterosexual couple with three children and do not qualify for concessional threshold treatment under the safety net. The Health Insurance Commission treats Family A as a family for the Medicare Safety Net. This family will need to only attain in total \$716.10 of out-of-pocket medical expenses to be protected by the Medicare Safety Net.

The proposed rise in the Medicare Safety Net to \$1000 means an increased burden to Family A of up to \$284 per annum.

Family B is a lesbian couple with three children. The children were conceived under Western Australia's assisted reproductive technology law that allows both of the parents in the same-sex relationship to be considered the birth parents of the children. The children's birth certificates both of the same-sex parents as parents of these children, and they are considered a family under Western Australian law.

The Health Insurance Commission is not allowed to treat Family B as a family for registration for the Medicare Safety Net. It will allow one of the parents to register with the children, while allowing the other parent to register as an individual.

This results in one parent and the three children needing to meet their own \$716.10 safety net, while the other parent individually must meet a similar safety net of \$716.10.

The double safety net situation provides two unfair disadvantages, the direct impact of the doubled safety net to protect every member of Family B, and the fact that the second parent treated as an individual cannot contribute to their partner and the children meeting their safety net.

This can result in some same-sex couples and families not meeting either threshold, or only part of the family meeting the threshold.

For all members of Family B to be protected by the safety net requires the fulfilling of two thresholds, which results in same sex families being currently up to \$716.10 per annum worse off. This will rise to \$1000 worse off under the proposed higher safety net thresholds. Due to the double safety net penalty faced by Family B, the increased burden under the new safety net thresholds is also doubled to up to \$568 per annum.

Australian Coalition for Equality believes that the discriminatory treatment of same-sex couples and families under Medicare safety nets (and the Pharmaceutical Benefits Scheme safety nets) is unjust and unwarranted.

In relations to the terms of the Senate's inquiry:

- Providing coverage to same-sex couples and their families will provide access and equity in health care for all Australians.
- Similarly, equalising treatment of same-sex couples and their families for these safety nets will result in minimisation of the extent to which these couples and families face higher out-of-pocket expenses.

Australian Coalition for Equality also recommends the committee refers to the Senate changes to remove similar unfair burdens on same-sex couples and their families in other aspects of Australian law – like the Pharmaceutical Benefits Scheme safety net.

We also urge the Senate to consider broad-ranging relationship recognition for the large number of same-sex couples and the increasing prevalence of families led by same-sex couples.

Yours,



Rod Swift
Spokesperson

Australian Coalition for Equality