

POPULATION BREAKDOWN

HIC Categories	Australian Population by RRMA (a)		% of total population
RRMA 1 - Capital Cities	12,250,457		
RRMA 2 - Other Metro Centres	1,470,144		
All Metro (RRMAs 1 - 2)		13,720,601	72%
RRMA 3-5 - All Rural/Regional	4,871,870		
RRMA 6-7 - All Remote	561,369		
Rural/Regional/Remote (RRMAs 3 - 7)		5,433,239	28%
Total	19,153,840		

BENEFITS DISTRIBUTED BY THE HEALTH INSURANCE COMMISSION (HIC)

HIC Categories	Benefits by RRMA (b)		% of total benefits	Benefit per capita
RRMA 1 - Capital Cities	\$ 1,547,166,163			
RRMA 2 - Other Metro Centres	\$ 175,951,710			
All Metro (RRMAs 1 - 2)		\$ 1,723,117,873	79%	\$ 125.59
RRMA 3-5 - All Rural/Regional	\$ 436,476,662			
RRMA 6-7 - All Remote	\$ 24,853,909			
Rural/Regional/Remote (RRMAs 3 - 7)		\$ 461,330,571	21%	\$ 84.91
Total	\$ 2,184,448,444			\$ 114.05

MEDICARE LEVIES COLLECTED BY THE AUSTRALIAN TAXATION OFFICE (ATO)

HIC Categories	Medicare \$ collected by ATO (c)		% of the contributing population	\$ Contribution per capita
RRMA 1 - Capital Cities	\$ 3,058,003,939			
RRMA 2 - Other Metro Centres	\$ 294,441,360			
All Metro (RRMAs 1 - 2)		\$ 3,352,445,299	71%	\$ 244.34
RRMA 3-5 - All Rural/Regional	\$ 772,668,593			
RRMA 6-7 - All Remote	\$ 220,563,879			
Rural/Regional/Remote (RRMAs 3 - 7)		\$ 993,232,472	29%	\$ 182.81
Total collected (1999-2000 F/Y)	\$ 4,345,677,771			\$ 226.88

COMPARISON

	Collected per capita	Benefit per capita	% recovered by each group
All Metro	\$ 244.34	\$ 125.59	51.4%
Regional/Rural/Remote	\$ 182.81	\$ 84.91	46.4%
TOTAL	\$ 226.88	\$ 114.05	50.3%

\$ Shortfall

	Population	Differential	Shortfall
Wagga Wagga	56,700	\$ 40.68	\$ 2,306,399
Regional/Rural Australia	5,433,239	\$ 40.68	\$ 221,009,162

(if Rural/Regional Australia received the same \$ benefit per capita as Metro)

Alternative Scenarios

Where Total Benefits Distributed remains the same

	Current Benefit per capita	Current total benefits	Redistribution	New Benefit per capita
Scenario One				
Metro: Reduced by 5%	\$ 125.59	\$ 1,723,117,873	\$ 1,636,961,979	\$ 119.31
Increases Regional/Rural by 18.7%	\$ 84.91	\$ 461,330,571	\$ 547,486,465	\$ 100.77
Total benefits Paid	\$ 114.05	\$ 2,184,448,444	\$ 2,184,448,444	\$ 114.05
Scenario Two				
Metro: Reduced by 7.5%	\$ 125.59	\$ 1,723,117,873	\$ 1,593,884,032	\$ 116.17
Increases Regional/Rural by 28%	\$ 84.91	\$ 461,330,571	\$ 590,564,411	\$ 108.69
Total benefits Paid	\$ 114.05	\$ 2,184,448,444	\$ 2,184,448,444	\$ 114.05
Scenario Three - an equitable solution whereby benefits per capita are equalised				
Metro: Reduced by 9.2%	\$ 125.59	\$ 1,723,117,873	\$ 1,564,800,870	\$ 114.05
Increases Regional/Rural by 34%	\$ 84.91	\$ 461,330,571	\$ 619,647,573	\$ 114.05
Total benefits Paid	\$ 114.05	\$ 2,184,448,444	\$ 2,184,448,444	\$ 114.05
Scenario Four				
Metro: Reduced by 10%	\$ 125.59	\$ 1,723,117,873	\$ 1,550,806,086	\$ 113.03
Increases Regional/Rural by 37.4%	\$ 84.91	\$ 461,330,571	\$ 633,642,358	\$ 116.62
Total benefits Paid	\$ 114.05	\$ 2,184,448,444	\$ 2,184,448,444	\$ 114.05

Notes:

(a) The Department of Primary Industries and Energy and the Department of Human Services and Health 1994, (PIE & HSH 1994). Population as at 30 June 2000. Source: ABS 2000. Excludes external territories.

(b) Data Request from the Health Insurance Commission (HIC)

INFORMATION MANAGEMENT DIVISION MEDICARE BENEFITS REPORT - IN CONFIDENCE

REPORT PERIOD 01/07/1999 - 30/06/2000. DATE OF SERVICE BY PROVIDER POSTCODE

(c) Taxation Statistics 1999–2000 (Table 3: Personal taxpayers. Selected items by state and postcode)