



City of Whittlesea

SUBMISSION TO

SENATE SELECT COMMITTEE ON MEDICARE

June 2003

Introduction

The City of Whittlesea submits for consideration a response to the proposed changes to the current Medicare arrangements as a result of concerns raised within the community. This submission is based on Council's concern for and desire that it's residents are able to afford and readily access primary health services provided by General Practitioners within the municipality.

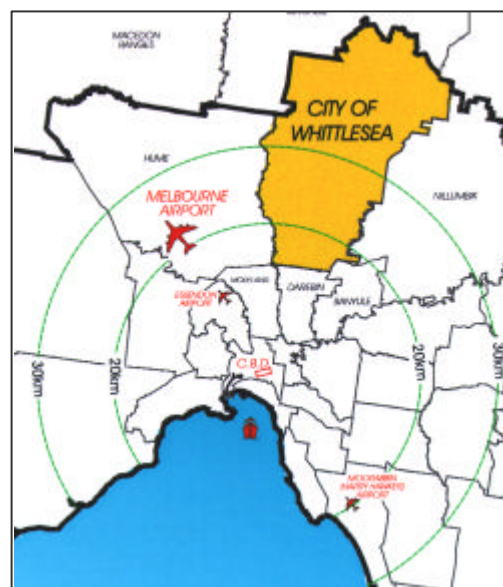
At its meeting on 3 June 2003 Council resolved to:

1. **Write to the Minister for Health and Ageing and Federal Members of Parliament, highlighting the issues for the City of Whittlesea with the proposed Medicare Package.**
2. **Include in the letter an expression of concern about the decline in bulk billing and the need for increased Medicare payments to ensure people in the City of Whittlesea have affordable access to doctors.**
3. **Highlight the shortage of doctors, other health practitioners and family support services in the City of Whittlesea and request that this area be recognised as an area of workforce shortage.**
4. **Also write to all 12 Victorian Senators highlighting the issues for the City of Whittlesea.**

Background

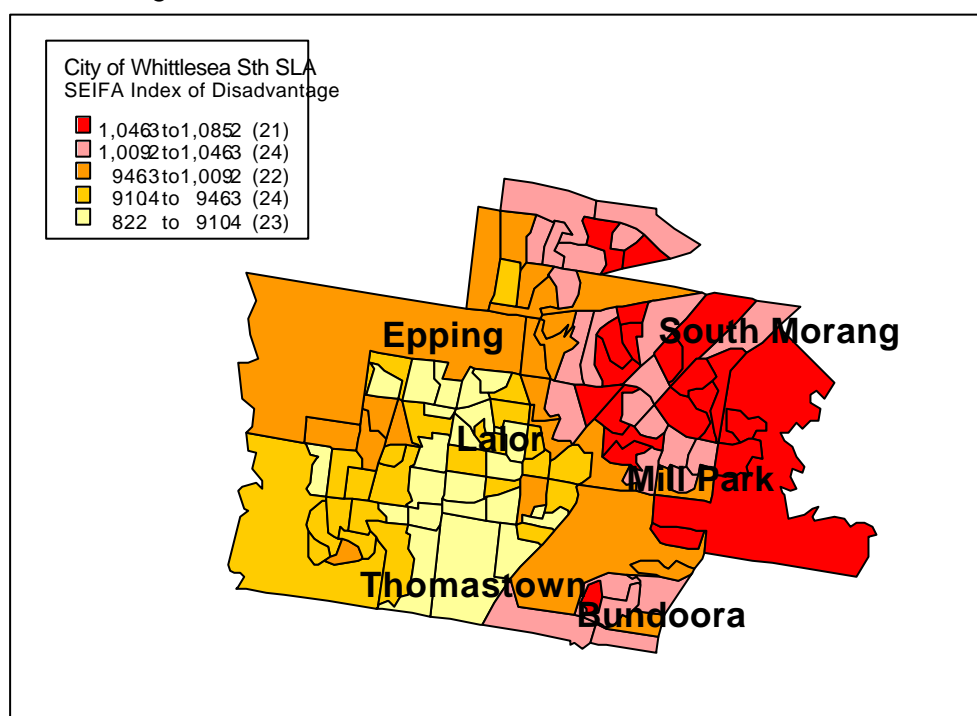
The City of Whittlesea is located on the northern outer suburbs of Melbourne. The municipality has a population of approximately 124,000 people, and is physically and socially diverse. The population will grow to over 163,000 people by 2016. Being located on the northern metropolitan fringe, the municipality is encountering conflicting pressures for enormous urban expansion on the one hand and preservation of environmentally significant areas on the other.

The municipality is characterised by a large developed urban area to the south and an extensive rural area to the north which contains areas either zoned or being investigated for future urban development. The total area of the municipality is 490 square kilometres.



The characteristics of the municipality are:

- ◆ It is made up of rural, established suburban areas with a number of new suburbs currently under development.
- ◆ It has a highly diverse population, with 54.3% of the population being from a non English speaking background.
- It is made up mainly of families with low to middle income. Within the municipality there are significant pockets of disadvantage. These significant groups of vulnerable people within the community rely on universally available services such as General Practitioners to maintain current health status. The predicted doubling of persons in the 75+ age cohort in the City of Whittlesea will increase demand considerably for Home and Community Care (HACC) services. Many ageing residents are from a non-English speaking background and immigrated to Australia after World War 2. They generally worked in local factories and other labour-orientated occupations. The negative health impacts of these occupations will be apparent in later life.
- ◆ This level of disadvantage is best displayed by the SEIFA Index map for the urban area of the municipality. This map indicates a significant area of disadvantage in the older established areas of Thomastown and Lalor.



Source : ABS 1996

In comparison with other municipalities throughout the region, the rest of Melbourne and the State of Victoria, Whittlesea, based on 1996 measures is relatively disadvantaged.

Index of Relative Socioeconomic Disadvantage (IRSED)

Area	1996 IRSED
Darebin	944.50
Whittlesea	982.67
Yarra	984.04
Melb Metro	1029.61

Reference: Socio Economic Indexes for Areas IRSED Index

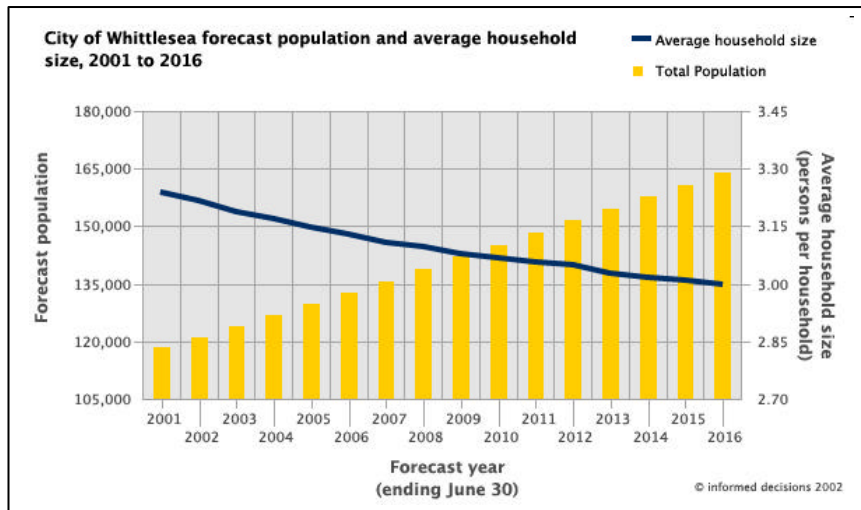
- In comparison with the rest of Melbourne, Whittlesea has

A younger age structure, and a higher proportion of:

- Persons born in a Non-English speaking country.
- Persons who speak a language at home other than English
- Persons born overseas who arrived in Australia prior to 1986.
- Persons with personal income of under \$600 per week.
- Families with children
- Dwellings which are separate houses
- Homes that are fully owned.
- Persons who suffer from post natal depression

A lower proportion of persons:

- Earning \$1,000 or more per week.
 - stating they have no religion.
 - attending University or other Tertiary Institutions.
 - Who stayed at school until Year 12 or equivalent.
 - Who use a computer at home.
 - Who use the Internet.
 - Who breastfeed their new babies
- ◆ The City of Whittlesea will undergo significant growth over the coming years. As the population increases and the age structure of the municipality changes, the provision of health services, particularly those by General Practitioners will become critical.



Issues for Consideration

1. The importance of universality as a key to Medicare

The development of Medicare has been underpinned by an understanding of the need to preserve a fundamental core element of universality.

Medicare makes primary health care affordable to all and Council believes the community is willing to support quality universal health care through taxation. It is Council's belief that the element of universality remains best practice and must be retained. Any reduction in this fundamental program component will impact upon the health status of the Whittlesea community.

2. The decline in Bulk Billing

Bulk billing is declining in the City of Whittlesea. The Whittlesea Leader reported in April 2003 on a survey it had conducted of medical practices in the City. Thirty-one clinics were surveyed. The report indicates that overall, only 50% were bulk billing all patients. The Commonwealth Government package provides little incentive for arresting a decline in bulk billing.

General Practitioners may start to introduce co-payments and abandon bulk billing to cover costs in the short term while the package is debated. This will impact on health card holders as well. The longer term may see a staggered scale of fees for everyone, leading to a two tiered health system.

3. The importance of General Practice to Whittlesea

As a highly diverse community, General Practice is seen as the key ingredient in a primary health care system that is underdeveloped within the City of Whittlesea. General practice provides a universal and accessible entry point for residents requiring a range of primary, secondary and tertiary health care interventions.

In general terms the community of the City of Whittlesea, by State and National measures is relatively healthy. A reduction in access to the existing level of universally available services, which is the likely result of these changes may result in a deterioration of the current health status of the community. This will have major

financial and resource implications for the acute health sector both now and into the future.

A strategic investment now in a viable and accessible primary care service system, including General Practitioners would result in an outcome that would be not only socially responsible but fiscally prudent.

4. Community Capacity

Any reform of fundamental community services such as Medicare must take into account the capacity of the community to absorb these changes. Clearly, within the context of the community residing in the City of Whittlesea, the proposed changes to Medicare will have significant budget implications for all residents, not only those on low and fixed incomes but families already feeling the impacts of rising housing costs. It is therefore logical to suggest that any changes that impact upon family budgets will force families living at the margins to make hard choices, choices that may include the withdrawal from existing private health insurance.

In respect of the insurance for non-concession card holders, people will have to find the first \$1,000. This will be a real hardship for many families. They will also have to afford the \$50+ insurance premium. If people can't pay much in the way of gap fee in lower socio-economic areas, General Practitioners will not be attracted to work here, resulting in increased pressure on public hospitals, especially in already stretched emergency departments.

There are also increasing numbers of people with multiple care needs, such as people with complex health problems (including mental health and disability) compounded by socio-economic disadvantage, who require services and support from the community health care sector that were previously provided in institutions. General Practitioners provide an important link in the day to day management of people with complex needs. A lowering of the level of access to these services will have major implications for the health of these citizens.

At the same time there have been increases in same day admissions to hospitals in the Northern Melbourne Metropolitan Region of 28 per cent over the past seven years, requiring better post acute care and coordination in the community to aid recovery, provide support and prevent deterioration.

The prevalence of illness and disease in our community is strongly associated with social disadvantage, which means that those with the greatest need for health services are in the worst position to afford to pay for them. There are many people who may not be on a pension or benefit but who cannot afford to pay costs associated with their high need for primary health care. Bulk billing General Practitioners are an essential component of the local primary health care system, a system that is a key component to preventing acute illness and managing disease effectively.

Families, especially those requiring two incomes to pay mortgages may opt out of current membership of private health insurance in order to meet the co-payment requirements for basic general practice visits.

Additionally, those on low incomes but who do not qualify for concession cards, may delay going to the doctor because of the requirement to pay or instead choose to use emergency departments of the already over-stretched public hospital system. This may have a major impact upon the viability of existing general practice services as

well as impact upon the longer-term health service demand. General Practitioners provide an early intervention and management response that is crucial for the maintenance of the overall health status of any community.

5. General Practice Shortages - A Growing Problem for Outer Urban Areas.

Council is concerned at the lack of General Practitioners in our community, the decline in bulk billing and the lack of availability of General Practitioners after hours, both those who bulk bill and those who do not.

The primary health care system that operates within the municipality is under considerable pressure as demand for primary health care services increases with the ageing of the population. The demand pressures associated with the higher rates of chronic disease and poorer health status in our communities correlate with the ageing of the population and the high levels of social disadvantage in our community. A viable and available general practice workforce is critical to the Whittlesea community as it develops in the coming years.

There simply has not been an adequate investment in the publicly funded primary health care system or in increasing numbers of General Practitioners in the catchment to cope with this increasing demand. While the proposed package suggests some resourcing of new training opportunities, it is unclear that these measures when combined with the proposed financial changes present a solution to what is rapidly becoming a chronic problem within outer urban municipalities such as Whittlesea.

The current ratio of doctors to population in the City of Whittlesea is much lower than the inner city. There are also few women General Practitioner's and a number of long term general practice vacancies exist. General practice shortages are exacerbated by shortages of allied health professionals and family support services.

A critical component of dealing effectively with the workforce issue is the need to review how areas are designated as areas of workforce shortage. These criteria are, as Council understand them, based on 1991 data and boundaries. These criteria require urgent review.

Suggested policy directions

Council would urge the Commonwealth Government to:

1. Strengthen the commitment to universal health care through strengthening and extending bulk billing.

Incentive payments should be provided to all General Practitioners wishing to bulk bill. These payments would assist in ensuring that both the level of and access to bulk billed services could be achieved. These incentives could be distributed according to a range of factors including level of disadvantage, geography, population diversity, health status, number of patients treated, based on the location of general practice practices within communities.

2. Strengthen incentives for General Practitioners to bulk bill patients through substantially increasing the Medicare rebate for services.

Specifically, the level of rebate that is currently provided is not enabling those who bulk bill to maintain a viable business. It would therefore appear logical, that

additional increases in rebates should be provided to ensure that bulk billing rates cover the cost of bulk billed general practice service provision. Funding for this increased rebate could be funded by a reduction in the level of subsidy currently provided to private health insurance companies. Industry assistance should be available to all sectors of the health industry, not just those companies running the private insurance system.

3. Immediately review the criteria used in assessing work force issues and ensure that work force issues are addressed adequately within the City of Whittlesea.

The issues of workforce viability in an area such as Whittlesea require immediate review and action. The immediate review of the criteria used to declare an area a place requiring additional workforce assistance could be complimented by engaging with local governments to develop partnerships designed to assist in ensuring that health services within growth suburbs such as Whittlesea are developed in an appropriate and timely manner.

Conclusion

The City of Whittlesea understands that reforms to the Medicare system are required in order to ensure that primary health care services are available and affordable for all citizens, whatever their economic and social circumstances. However, within that genuine policy aim, great care needs to be taken to ensure that proposed reforms protect the vulnerable, protect the core universality of Medicare and ensure that a viable, trained and accessible primary health care system is available to all citizens.