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The Poverty Coalition - Tas.

Working for the Eradication of Poverty

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14. 7. 03

*The Secretary
Select Committee on Medicare
Suite 8130
Parliament House
Canberra ACT 2600*

Dear Secretary,

*I am sorry you cannot read the submission
I did send it in word.*

*I am faxing it now. and will try
to email it again in PDF.*

Yours sincerely

MS Lingley (Grant)

**SUBMISSION TO THE SENATE SELECT COMMITTEE ON MEDICARE,
BY THE POVERTY COALITION (TASMANIA) 30/6/'03**

INTRODUCTION

The Poverty Coalition (Tasmania) is concerned that an increasing number of Commonwealth Government policy decisions, e.g. changes to Medicare, are pushing many more financially marginalised citizens into a situation where they are deeply in debt and unable to reverse the situation. This is increasing the number of people who are dependent on welfare payments and placing even more pressure on public services like health and education.

The Poverty Coalition (Tasmania) is comprised of individuals and organisations which are

- concerned about poverty at a global, national and local level;
- convinced that poverty can be eliminated, if peoples and Governments are willing to do so; and
- committed to changing community understanding of the causes of poverty; and
- working towards poverty elimination via improved public policies.

The Coalition includes representatives of the following organisations :

Anglicare (Tas.) Inc.	Aust. Federation of University Women Stn. Tas.
Baha'i Community of Kingborough	Business & Professional Women's Club of Hobart
Carer's Association, Tas.	Caritas Ltd.
Catholic Social Justice Coalition (Tas.)	Child Health Association (Tasmania)
Children's Commissioner	Community Aid Abroad /Oxfam
Council of Churches Inc. (Tas.)	Country Women's Association, Tas. Inc.
Good Beginnings Inc.	Glenorchy and Hobart City Missions
Hobart Women's Health Centre, Inc.	Holyoake (Tas.) Inc.
Link Youth Service	National Council of Women of Tasmania. Inc
Quaker Services Inc.	Resultz
Salvation Army (Tasmania)	Save the Children (Tas.)
TasCOSS Inc.	Tasmanian Association for State Superannuants
TasDEC Global Learning Centre	Uniting Church (Hobart)
World Vision (Tas.)	Womens International League for Peace & Freedom

plus a number of individuals, including MPs, Senior Bureaucrats, Church Leaders and NGO Leaders.

SUBMISSION

Australia had a wonderful public education and health care system. Over the past ten years both have been systematically destroyed. The proposed changes in Medicare will not improve the health system for those on low incomes.

Unprecedented rises in the cost of living, (e.g., inflation has jumped to its highest rate in seven years - Mercury p. 24, 24/4/'03) and savage increases in medical insurance premiums (over 7.4 % in most cases) will make it impossible for many people to take out health insurance. Even those who have been able to afford full cover in various medical insurance schemes for long periods (over 25 years) will no longer be able to do so, according to the Poverty Coalition Tasmania's representative organisations. News reports support this position, for example, Mercury p. 2, 13/3/'03, p.3, 18/3/'03 and p.15 3/3/'03, reporting that Australians as a whole, were unable to save as they had in the past, and owe about \$22 billion in credit card debt. The bulk-bill 'revamp' (Mercury p.2, 29/4/'03) will be insufficient (approximately \$22,050 p.a.) to assist most doctors, especially GPs.

For many doctors the changes, we believe, will mean they are unable to provide reasonable care for a sufficient number of patients to make it worthwhile to stay in practice (Mercury p.2, 29/4/'03). This may be critical, as Australia already suffers from a shortage of medical personnel. For patients, it may well mean they decide not to see a doctor and rely on self diagnosis and medication.

For reasonably healthy people, who rarely visit a doctor, it will not be worth having insurance, as they will be paying well over \$1200 p.a. in most cases, on the offchance that they will have an accident. When they do visit their doctor, they will receive less than half of the fee back from Medicare, or virtually nothing from their insurance fund. The increase in the 'gap' per visit to their GP, e.g. \$20 often more, which patients will pay in most cases, will reduce still further the number of patients able to access proper medical care. It may not be a problem for persons on higher incomes (over \$40,000 p.a.) but it will make budgeting very difficult for the majority on low incomes below \$40,000. This is causing anxiety in a large sector of the community. If people opt out of a health insurance fund which is not worth paying into, then they will have to pay the Medicare tax levy.

If more people opt out of health insurance funds, it will increase pressure on the public health system. The proposed changes to bulk-billing will make it difficult for most doctors to comply, as more Australians live in city suburbs than anywhere else. This will make bulk-billing even more impracticable for most GPs.

As more people leave available health insurance schemes and opt for the public health system, (particularly when some health insurance funds have mismanaged their finances), it will exacerbate the many problems associated with the present inadequacies, e.g., waiting times. Many people have already been waiting for assistance for over four years and in some cases over 20 years in Tasmania. Now, even for emergency care, Tasmanians wait longer than in any other state or territory of Australia. (Mercury p.3, 7/1/'03 and p.15, 16/4/'03).

For those on low incomes, especially if they have a long-term medical condition, the current unsatisfactory situation will be compounded. (NB over 50% of Tasmanian children have long-term medical conditions, Mercury, p. 3, 14/3/'03). The chronically ill will not be better cared for if many more people are forced to opt out of medical insurance (Mercury p.6, 6/3/'03) and depend on Medicare, especially if, Medicare arrangements for them, are being downgraded. The larger community will suffer if, instead of Medicare being improved for everyone, including bulk-billing, and brought back to its former status, the proposed changes are fully instituted. Health Insurance Commission surveys suggest the 87% of Australians support the original Medicare Scheme and do not want to see it abolished (Mercury p.15, 4/3/'03).

The existing problems of the Medicare system for those with long-standing health problems and those on health care cards (over 40% of the Tasmanian population), will be made much worse, if there is any increased pressure on current services. (Mercury p.13, 3/6/'03). Most people are asking why Australia cannot move back to the inclusive and excellent health system we had previously, instead of going down the unsatisfactory 'American' route of health care provision. Australian pay their taxes for good public education and health care for everyone, not for, e.g., lavish trips for politicians and 'rip-off's by corporate management.

Twenty years ago, Tasmania had a wonderful system of public health. Now, all sections of the public health system in Tasmania lack adequate resources and recent offers of Commonwealth funding to Tasmania are stated by Hon. D. Llewellyn, Minister for Health, to be "a dud," (Mercury p.8, 25/4/'03).

Charities in Tasmania have been unable to meet the demand for their services and have been turning away clients (200,000) for over a year now (Mercury p.6, 31/1/'03) and this trend is increasing. With costs of education rising as well, many more families will be unable to afford private medical insurance. This again, will place more pressure on the public health system.

Record numbers of those who have ability and are young and fit, leave the State and go elsewhere for employment (Mercury 4, 26/3/'03). This will obviously increase if the State and Commonwealth Governments continue to make current financial demands on the most able, but often impecunious students. This imbalance will seriously affect both health insurers and Medicare. For those who are unemployed (20,000 - Mercury p. 14, 11/4/'03), especially the long-term unemployed, the changes in Medicare, especially in relation to bulk-billing, will further reduce their ability to access reasonable health care.

The increase in mental health problems across the nation, especially depression and anxiety has been well-documented, and stress from being unable to access adequate health care will further increase demands on GPs (7.4% of all visits to GPs - Mercury p.17, 16/4/'03).

Most of the people our members talk to would rather settle for adequate and effective health care at all levels, with well-trained medical and nursing staff, good equipment and safe surroundings, in reasonable hospital accommodation, rather than five star, wallpapered and carpeted luxury hospital accommodation, knowing

that others are unable to access even basic health care. The Poverty Coalition therefore considers that the changes to Medicare will solve nothing in terms of delivery of a reasonable standard of health care to most Tasmanians or Australians, especially those on low incomes. Rather, it will increase the gap and differentiation between rich and poor, increase levels of despair, anxiety and depression in this state, as average income families try to cope.

Our conclusion is that in this instance, it would seem reasonable for the Commonwealth and State Governments to work to re-establish the Health Care system Australia had 20 years ago, which was the envy of the world.

Linley Grant, OAM
HON. SECRETARY

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