

Coalition Medicare plan gets the nod

BY ADAM CRESSWELL

COALITION plans to rescue Medicare offer a better deal for GPs than rival ALP proposals, an independent, analytical comparison of the two blueprints suggests.

Mack Lipscombe, practice manager for the Westcare Medical Centre in Melbourne's outer west, used realistic business statistics for his analysis, which he said showed a six-GP practice that was predominantly privately billing could generate an extra \$5500 a week under the Coalition model at the cost of having to see 100 extra patients.

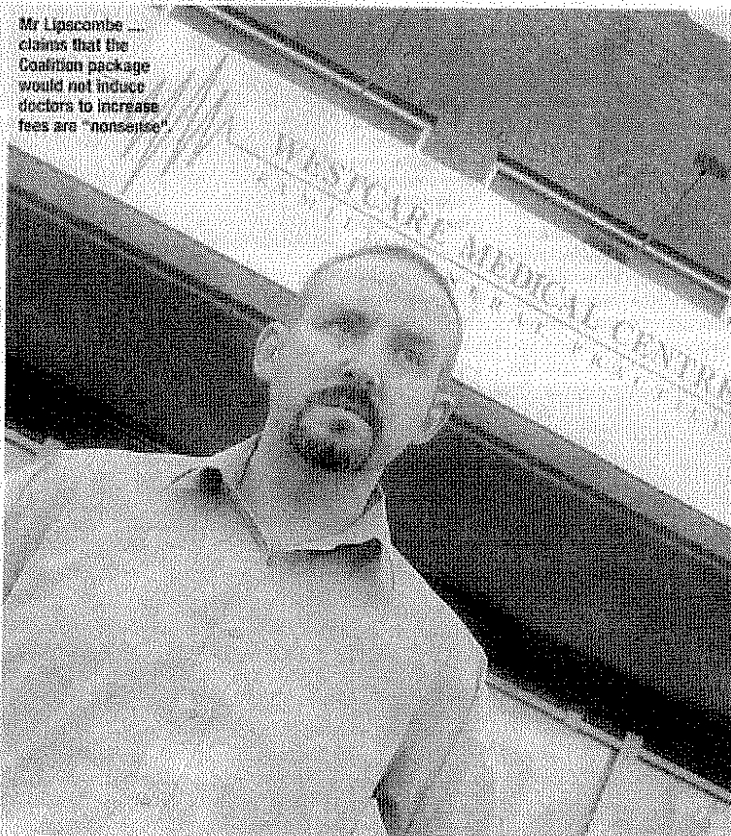
The extra patients would be those who were attracted to the practice by its decision to bulk-bill concession cardholders under the Coalition model — a situation Mr Lipscombe said could add to the stress levels of overworked GPs.

By contrast, and assuming that practices would bulk-bill almost all patients under the Labor proposals, the ALP plan would increase a practice's income by \$3150 initially and by \$6000 from 2006 — but at the cost of seeing twice as many extra patients.

Mr Lipscombe said the key advantage of the Coalition plan was that participating practices could offset the cost of bulk-billing concessional patients by charging other patients extra.

Although the Federal Government has repeatedly claimed its package would not induce doctors to increase their

Mr Lipscombe ... claims that the Coalition package would not induce doctors to increase fees are "nonsense"



fees, Mr Lipscombe said this was nonsense and that by charging non-concessional patients a gap, GPs could gain significant extra income (see tables).

While Labor's plan would pay lump-sum incentives to GPs who bulk-billed certain

proportions of their patients — ranging from 70% of patients for rural GPs to 90% for urban GPs — commercial realities meant GPs wanting to take advantage of Labor's scheme would end up bulk-billing 90% of patients.

"You can't reach the [bulk-billing] threshold and say, 'Right, everybody else this week is privately billed,'" Mr Lipscombe said.

"You have to adopt an exclusive bulk-billing model under [Opposition Leader Simon] Crean's package."

Today's outer-metro PRIVATE BILLING clinic (billing 800 patients a week)			
Fee category	Patients	Average charge	Total
240 (30%)	Bulk-billing	\$33.60	\$8064
560 (70%)	Private (others)	\$38.45	\$21,536
800 patients @ \$37.00 =			\$29,600

IN COMPARISON TO

John Howard's outer-metro COMBINED-BILLING clinic (billing 900 patients a week)			
Fee category	Patients	Average	Total
585 (65%)	Bulk-billing	\$33.30	\$19,480.50
315 (35%)	Private (others)	\$48.80	\$15,667
900 patients @ \$38.08 =			\$35,167.50

AND

Simon Crean's outer-metro BULK-BILLING clinic (billing 1000 patients a week 2004/05)			
Fee category	Patients	Average charge	Total
900 (90%)	Bulk-billing	\$31.45	\$28,305
100 (10%)	Private (others)	\$47.10	\$4710
Average weekly incentive for six-doctor model			\$1730
1000 patients @ \$34.75 =			\$34,745

OR

Simon Crean's outer-metro BULK-BILLING clinic (billing 1000 patients a week 2006/07)			
Fee category	Patients	Average	Total
900 (90%)	Bulk-billing	\$33.10	\$29,790
100 (10%)	Private (others)	\$47.10	\$4710
Average weekly incentive for six-doctor model			\$1730
1000 patients @ \$34.75 =			\$36,230

Mr Lipscombe said it was 50-50 as to whether the 12 GPs in his own practice would decide to enrol in the Coalition's Medicare scheme, if it ever received parliamen-

tary approval. "Many doctors will surely fear that if they're not a part of it, then they may be put at a competitive disadvantage," he said.