

Government Senators' Report

Quite predictably, the Government Senators cannot support the Labor Party's response to Medicare Plus as their report is naïve at best and loose with the truth at worst. It also rejects an important policy initiative that would see \$266.4 million go to Australians to assist in the payment of their out-of-pocket expenses incurred for out-of-hospital Medicare services.

The Bill currently before the Senate deals only with the issue of safety nets for such expenses and yet the Labor Party, for purely political reasons, will not agree to granting Australians such assistance.

The Labor Party report distorts the intent of the legislation and its outcomes. For the record, it is worth stating clearly the intention of the Bill.

The measures in the Health Legislation Amendment (Medicare) Bill 2003 make medical services more affordable. They do this by introducing three new safety-nets to cover 80% of the out-of-pocket costs incurred for out-of-hospital Medicare services above a specified threshold in a calendar year:

- The concessional safety-net – for holders of certain concession cards, with a threshold of \$500 per family;
- The FTB(A) safety-net – for families in receipt of Family Tax Benefit (A), with a threshold of \$500; and
- The extended general safety-net – for all other families and individuals, with a threshold of \$1000.

The measures in the Bill, as proposed by these amendments, will have a total cost over 2003-04 and the following three years of \$266.4 million. This includes payments to patients and administrative costs.

Out-of-pocket expenses incurred for out-of-hospital services can be financially crippling, especially when the services required are extensive, on-going and intense. Often they are unforeseen, due to accidents or the sudden onset of serious illness.

The measure not only includes medical expenses of GPs and specialists but diagnostic expenses such as pathology, radiology, psychiatry, tissue biopsy, radiotherapy and pap smears. The expenses associated with these services have, by far, been responsible for the largest increase in costs to patients since 1984-85. Someone who is in need of such extensive services could find they reach the threshold very quickly. The government therefore considered it important to assist with these expenses.

Labor rejects such assistance. Its near-obsessive concern with the bulk-billing rate overlooks the fact that even if 100% of General Practitioners bulk-billed all their patients, those with chronic conditions or severe episodes of sickness would still be faced with high out-of-pocket costs, which the Government package is designed to address.

Contrary to Labor Party claims, the underlying principles of Medicare, as framed by Labor at Medicare's inception, remain key features of the Medicare policy development. In summary these principles are:

A universal Medicare, where all Australians:

- Can access affordable health care, no matter where they live or how much they earn;
- Are eligible for a universal rebate for the services they receive;
- Are able to benefit from free care in public hospitals; and
- Are able to receive subsidised medicines through the PBS.

The Medicare Plus measures add \$1.5 BILLION to the previously announced \$917 MILLION committed in A Fairer Medicare.

The Labor Party has, not surprisingly, disagreed with virtually all the measures in both packages.

They have criticised the targeting of the assistance. However, linking a payment to a bulk billed service provided to patients in greatest need is an effective means of targeting this investment to maintaining affordable services for those patients where the impact will be greatest. It is worth noting that the medical profession supports the Government's safety net legislation and the targeting in the Bill for such people, but the Labor Party doesn't. The medical profession's support for the Government's proposal is understandable given that if they subscribe to all the measures in the package, they will receive between \$35,000 and \$43,000 (maximum) extra per year.

It is also worth noting that there is nothing in this Bill, or any previous Bill, that will prevent **any** patient being bulk billed. It is quite dishonest to suggest otherwise.

We recommend the government examine Professor Deeble's evidence to the Committee and whether there would be a community benefit to his proposal.

For the reasons outlined above, the Government Senators strongly support the Bill before the Senate and urge all Senators to support its passage as soon as possible to ensure that Australians quickly receive the benefits of the proposed safety nets.

The Government Senators do, however, recommend that the Minister consider expanding the number of services undertaken by practice nurses which would attract a rebate. Currently, the services eligible for the rebate would be immunisation and wound management. We would suggest that a number of other services, such as dietary advice for those in need, quit smoking advice, breast examination and pap smears to name but a few, should attract the rebate. The Australian Division of General Practice made similar recommendations in its submission. The nurse undertaking the advice role, after diagnosis by a doctor, would free the doctor's time to see other patients.

There is also a suggestion that many doctors simply do not have the time to assist some patients with lengthy lifestyle advice, and resort to prescribing medication instead. We believe that where the clinical diagnosis warrants it, all other avenues should be explored prior to drug therapy.

As most nurses are female the performance of pap smears by the nurse could be attractive to women generally and, more specifically, to women from some cultures who simply do not have a pap smear if it is to be performed by a male doctor.

While we recognise there is no prohibition of doctors using practice nurses under their supervision for a multitude of roles currently, their work outside immunisation and wound management will not attract the MBS rebate. As the rebate for a nurse doing such work would be \$8.50 as opposed to a doctor at \$25, the cost saving would be substantial and the amount of time which doctors could spend with other patients would help meet the demand.

Finally, Government Senators also recommend consideration be given to a specific review of the merits of increasing the Medicare rebate for longer consultations. If it was found to be justified, better health outcomes for patients are likely to ensue.

Senator Sue Knowles
(Deputy Chair)

Senator Guy Barnett

Senator Gary Humphries

