SUBMISSION NO. 100

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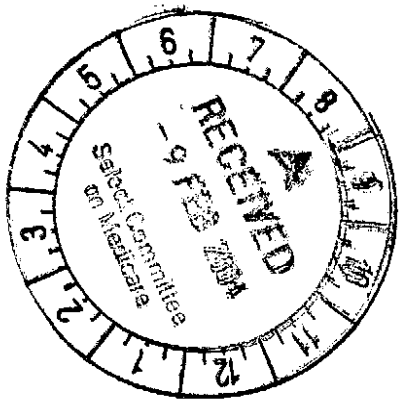

Senator Jan McLucas
Chair
Senate Select Committee on Medicare
Parliament House
CANBERRA ACT 2600

Dear Senator McLucas

Thank you for your letter advising that the Senate has re-established the Select Committee on Medicare to inquire into issues relating to the Australian Government's amended Medicare package.

Attached, please find my Government's submission.

Yours sincerely

Clare Martin

CLARE MARTIN

4.2.04.

SENATE SELECT COMMITTEE ON MEDICARE
MEDICARE PLUS PACKAGE

SUBMISSION FROM THE NORTHERN TERRITORY CONTEXT

INTRODUCTION

As stated in the Northern Territory's previous submission to the Senate Committee, the Northern Territory (NT) has always suffered from a shortage of General Practitioners (GPs). For the rest of Australia the provision of primary health services is largely the responsibility of the Australian Government. The NT Government has been required to provide substantial primary health care services in order to address the needs of a population with high rates of mortality and chronic illness.

NORTHERN TERRITORY CONTEXT

POPULATION

- The Northern Territory has a population of 198,400, spread across an area of 1.4 million square kilometres.
- 60 percent of the population lives outside of Darwin in locations that are classified as remote.
- Nearly one third of the NT's population is Indigenous and 85% of the Aboriginal people live in remote communities.
- There are five urban centres in the Northern Territory, including Darwin. Darwin (including Palmerston and Litchfield) has a population of 109,000.
- Despite its small population and remoteness Darwin is classified as a RRMA 1 due to the fact that it is a capital city.
- The next largest urban community is Alice Springs with a population of 28,000.

GENERAL PRACTICE ISSUES

- The accepted ratio of General Practitioners to the population is 1 to 1,400. In the Darwin urban area this ratio is 1 to 1,600; in the outer areas of Darwin it is 1 to 2,000 and in remote areas it is around 1 to 2,300. The Top End Aboriginal Health Plan (April 2000) recommends a doctor to staff ratio of 1 medical practitioner for every 400 people.
- Across Australia the average number of GP visits per year is 11.2 visits per person per annum. In the NT this figure is 6.2 visits per annum.
- The Commonwealth's investment in General Practice in the NT is $89.10 per person per annum compared with a national average of $158.50. This is a direct result of the lack of access to medical services.

DISTRICT MEDICAL OFFICER MEDICARE BULK BILLING PROJECT

- The District Medical Officer program provides clinical care to 60 remote communities in the Northern Territory.

- The Department of Health and Community Services employs remote area nurses and Aboriginal health workers in these remote clinics. District Medical Officers (DMOs) who are salaried General Practitioners, provide visiting medical services to remote patients.
- Through an agreement with the Office of Aboriginal and Torres Strait Islander Health (OATSIH), from 1 January 2003 Medicare has been billed for medical services provided by the DMOs. This project is not linked to increasing the numbers of medical practitioners, but is designed to increase access to Medicare Benefits. The revenue generated is used to support the remote clinics through the employment of clerical staff to provide assistance to the health workers.
- Currently only medical services can be claimed, despite the majority of care being provided by nursing and Aboriginal health workers.
- Telephone consultations are not eligible for Medicare Benefits, although the doctor is generally not resident in the community and a large proportion of consultations is conducted by phone. This is a legitimate and effective method of providing consultations and organising treatment in remote areas.
- There is high turn over of DMOs and a number of overseas trained doctors are employed.
- The remote health centres are currently not accredited and therefore there is no capacity to access practice incentive payments or benefits.
- There is a lack of standardised telecommunication facilities for the remote communities and a lack of computerisation.

RESPONSE TO THE SENATE SELECT COMMITTEE'S TERMS OF REFERENCE

(i) The Government's proposed amendments to the Health Legislation Amendment (Medicare and Private Health Insurance) Bill 2003

The Northern Territory Government supports the expansion of the concessional safety net to cover all Australians. However it seems unlikely that the safety net arrangements will have any significant benefit for the population in remote communities in the Northern Territory given the significant access issues described above.

(ii) The Government's proposed increase to the Medicare rebate for concessional cardholders and children under 16 years of age

As shown in Figures 1 and 2 (below), bulk billing rates in the Northern Territory continue to fall and non bulk billed patients are charged more than most people in Australia. The Northern Territory Government therefore supports the initiative to increase GP remuneration and encourage the level of bulk billing.

Figure 1: Medicare - percentage of unreferred attendances (GP) bulk-billed 12 months to December 2000, 2001 and 2002

	2000	2001	2002
Darwin and Palmerston	59.0%	59.2%	57.2%
Other NT	71.6%	70.3%	71.8%
Total NT	63.9%	63.3%	63.3%
Total Australia	77.6%	75.2%	69.6%

Figure 2: Medicare - average patient contribution * per service
12 months to December 2000, 2001 and 2002

	2000	2001	2002
Darwin and Palmerston	$16.85	$17.94	$19.42
Other NT	$15.33	$15.72	$16.97
Total NT	$16.37	$17.20	$18.61
Total Australia	$10.95	$11.50	$12.77

* Patient contribution is calculated as the difference between the fees charged and the benefit paid. It is in relation to patient billed, non-hospital GP services only.

(iii) The Government's proposed workforce measures including the recruitment of overseas trained doctors.

Workforce issues are a major concern in the provision of health services in the Northern Territory. The Northern Territory Government fully supports all initiatives aimed at improving and increasing the health workforce. It is important that as these initiatives are implemented the allocation of the new health workers is based on need rather than population, in order to ensure that the Northern Territory benefits fully from the new arrangements.

Figure 3 shows the current distribution of District Medical Officers, Remote Area Nurses and Aboriginal Health Workers for the September quarter 2003. It is important to note that in the first 6 months of 2003 there was a 38 per cent turn over in District Medical Officers employed by the Department of Health and Community Services.

Figure 3: Full Time Equivalent Positions for District Medical Officers, Remote Area Nurses and Aboriginal Health Workers
September Quarter 2003

District	DMO*	Locum	Aboriginal Health Workers	Remote Nurses
Central Australia	6		24	46
Barkly District	1		5	4
Darwin Rural	5		13	33
Darwin Urban			10	
East Arnhem	8	2	17	24

Katherine	2		15	18
Royal Darwin Hospital			5	
TOTAL	**22**	**2**	**89**	**125**

* DMOs undertake multiple tasks including providing medical services in remote communities, hospital based work, telephone consultations, emergency evacuations and training activities.

The following provides a brief response to each of the workforce initiatives in the MedicarePlus package, (as set out in the Australian Government's factsheets):

1) More doctors and nurses now and for the future:

The Northern Territory welcomes this initiative, particularly as it relates to areas of workforce shortage. One issue that the Department of Health and Community Services would like to see addressed in the context of this initiative is the classification of Darwin as an area of workforce shortage. Whilst the Australian Government undertook to ensure that Darwin was classified as an area of workforce shortage following the signing of the Australian Health Care Agreements, this remains outstanding and will have large implications in the context of this initiative and a number of other initiatives under MedicarePlus. A second issue relates to the classification of Darwin as RRMA 1. To classify a city purely on the basis of it being a capital city is a serious flaw in the system and one that requires further consideration.

2) Support for practice nurses through new Medicare item and grant payments:

This initiative has the full support of the Northern Territory Government. In particular the capacity to charge both the new Medicare item and the $5 bulk billing payment is an important incentive to increase the number of practice nurses and the overall level of bulk billing. In the context of the DMO billing project the Department of Health and Community Services will be seeking detailed discussions with the Australian Government to extend the exemption arrangements to cover these services.

An issue for remote nurses is the fact that there may be more than one doctor related to the clinic in which they practice and/or there may not be a single doctor who is clearly the lead doctor for the clinic. The requirements around using an existing medical provider number for the billing of the nurse practitioner items will require further consultation, particularly in relation to the type of services provided in the Northern Territory.

A second issue relates to health delivery in the Northern Territory where doctors, nurses and Aboriginal health workers operate in a team environment. While the extension of Medicare to cover nurse practitioners is

a major step forward for the NT, there would be substantial merit in also covering Aboriginal health workers under the same arrangements.

A final issue relates to the use of telephone consultations. While this is broader than this component of MedicarePlus, it is an issue that has major implications for the Northern Territory where a large proportion of consultations are conducted by telephone.

3) Better access to medical care for residents of aged care homes:

The Department of Health and Community Services understands that this initiative is restricted to aged care homes recognised under legislation. Whilst access to GP services in aged care facilities is clearly a national issue that requires support and enhancement, the NT Government would be keen to explore with the Australian Government the possible extension of this arrangement to cover the unique environment in the Northern Territory. One possible solution would be to provide a similar Medicare item number with restricted geographic coverage to recognise that traditional aged care facilities are not the norm for the majority of the Northern Territory's aging population.

4) More GP training places, and support for practices and GP supervisors:

The Northern Territory Government supports this initiative and would like to explore more fully the support to be provided for practices to become accredited training practices. In addition, the Northern Territory would be interested in some consideration of the content of GP training, in order to ensure that the content better equips General Practitioners to work in remote Aboriginal settings.

5) Bringing more graduate doctors to outer metropolitan, regional, rural and remote areas:

This is clearly an initiative that will benefit the Northern Territory, however funding to assist hospitals with maintaining service levels will only be of assistance where there are practitioners able to provide the relief services.

6) Drawing on qualified health professionals from overseas:

All aspects of this initiative are supported. In particular the NT Government welcomes the following:

- reduced red tape in the approval process;
- assistance for employers and overseas-trained doctors in arranging places;
- improved support for training programs; and
- opportunities for doctors to say longer or obtain permanent residency.

The Department of Health and Community Services would be keen to be involved in further discussions with the Australian Government around the

implementation of these initiatives, to ensure that the issues facing the Northern Territory are taken into account.

7) Supporting rural and remote GPs especially procedural GPs:
8) Higher rebates for patients of non-vocationally registered GPs who were practising prior to 1996: and
9) Helping GPs and specialists to re-enter the workforce.

While it is unclear how many medical practitioners in the Northern Territory will benefit from these initiatives, the Department of Health and Community Services supports their inclusion in the MedicarePlus package.

10) 234 new medical school places a year bonded to areas of workforce shortage:

The Northern Territory Government supports this initiative, particularly as it looks to addressing a long term problem that could be a substantial barrier to health care provision in the Northern Territory in coming years.