

Victorian Medicare Action Group

Bulletin #7

www.vmag.org.au

August, 2004



“Will the Government’s changes to Medicare ensure we can see a GP when we need to?”

“No, but they will mean that you’ll pay more each time you visit your GP.”

Far from making it easier for Australians to access GP services, the Federal Government’s recent changes to Medicare have actually increased the cost of health care for most Australians.

Charles Livingston of the La Trobe University Faculty of Health Sciences conducts ongoing analysis of the Health Insurance Commission’s quarterly bulk billing data. He states that while the changes have created minor increases in the number of bulk billed consultations for healthcare card holders and children under 16 years of age, all other Australians are paying more for GP services than they have since Medicare’s inception in 1984.

Despite Government advertising which states that Medicare is being strengthened thanks to the Government’s interventions, Australians are actually worse off now than they were before the changes were introduced in February.

Table 1 demonstrates the rise in out-of-pocket expenses for patients in the past two years, and demonstrates a considerable rise in the first quarter of 2004, when the changes were introduced.

VMAG believes that what we’re seeing is that the increase in the bill for GP services is being met, not by the funds collected through the Government’s Medicare Levy, but by those Australians who are not being bulk billed by their GP.

This analysis clearly defines for the first time the inequities of the Federal Government’s recent changes to Medicare, namely;

- Australians who are not bulk billed by their GP are paying twice; they pay a Medicare Levy through their taxes, and they are having to pay more every time they visit their GP.
- If they do not have private health insurance, they are also paying a third time, to support other people’s private health insurance through the Government’s 30% tax rebate (which comes from the Medicare Levy).
- Not all healthcare card holders and children under 16 are being bulk billed, especially if they live in rural areas. Those who aren’t are having to pay more for each visit to the GP.

Continued next page

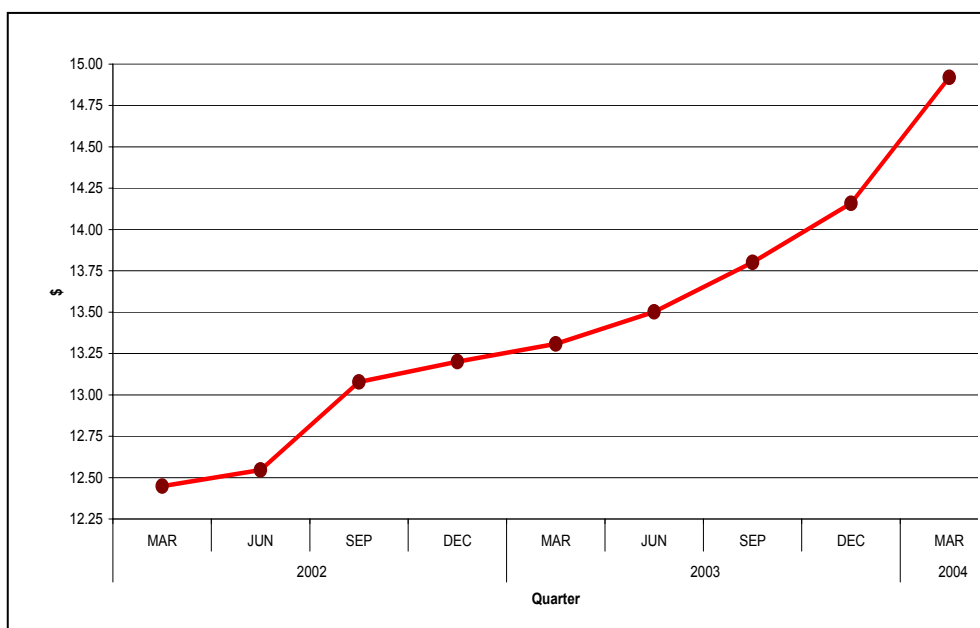


Table 1: GP services, average out-of-pocket expenses for patient-billed services Mar 2002 to Mar 2004 (\$ Mar 2004). Sources: ABS CPI, HIC data.

Sick children ignored as decline in GP access continues.

Cover story - from page 1.

VMAG was recently informed that maternal and child health (MCH) nurses in Melbourne's inner suburbs were finding their jobs more and more demanding as their clients experience increasing difficulty accessing affordable GP services when they need them.

MCH nurses did not wish to be identified, but stated that the decline in affordable and after hours GP services has meant that health problems and concerns of mothers and children, for which GPs would once have been consulted, are now tolerated until the MCH nurse can be seen. One MCH nurse said pharmacists are also accessed for advice as an alternative to GPs after hours, which is a real concern considering how quickly a newborn child's health can deteriorate, and that pharmacists are not trained in the diagnosis of disease.

The main reasons identified by MCH nurses for their increased workloads were the high cost of up-front, GP consultation fees, and a scarcity of affordable after hours services.

VMAG investigations have revealed that this scenario is widespread, and affecting rural MCH services particularly. Few MCH nurses, however, are willing to jeopardize their positions by speaking out.

In one rural Victorian town, MCH nurses are repeatedly asked by parents to examine their children rather than to try to pay the \$42, up-front fee at the GP. "Often the child will need to go to the GP anyway, as prescription medication will be required," said one MCH nurse who did not wish to be named. "At least this way parents may not have to pay the fee if a prescription is not required."

"Often it is not simply the prohibitive cost of the consultations that discourage parents from visiting the GP with their sick child," said a rural MCH nurse. "Some families who owe money to GPs for previous consultations have been told their children will not be seen unless they settle their accounts. Also, we have so few GPs, that waiting lists exist. These are managed by the clinic reception staff who have no triage training; the MCH centre is a much speedier option".

A further reason identified by rural MCH nurses for parents bringing their sick children to them, rather than to the GP, is the lack of GPs trained in paediatrics. "Rural communities often receive training GPs, who are on a 3-4 month rotation as part of the Rural and Remote GP Training Program. They are often very inexperienced, and fail to instill confidence in parents of sick children."

Increased workloads for MCH Nurses as a result of limited access to affordable GP services represents a shifting of health costs from the Federal Government to already under-resourced local government. It is appalling that our children are not provided with the best possible health care available, and that parents are forced to compromise their families' health.

These reports clearly demonstrate that the Federal Government has been neglectful in its efforts to manage an effective health system. It is essential that affordable GP services are available to Victorian families to ensure our children are extended the basic human rights to be healthy and to thrive.

These findings strongly indicate that the Government's changes to Medicare have failed to improve access to affordable GP services for most Australians, and are supported by a recent report in the *Medical Observer**, which states that the changes to Medicare had not resulted in any GPs dropping their private fees, and that only 6% of GPs had begun bulk billing children under 16 years.

A further concern with the publicised Medicare changes is the reality of the promised access to dental and allied health services. Contrary to the message conveyed in the advertising, these services will only be available to sufferers of chronic illness, and then only if their GP has complete a detailed, time-consuming patient care plan. These care plans have been poorly utilised by GPs in the past, and the Government has offered no incentive to encourage GPs to complete them now. It is expected that very few Australians will be able to access Medicare-funded allied health and dental services.

Australian tax payers should not be misled by the intense Government advertising about the changes to Medicare. We now have tangible evidence which suggests that access to GP, allied health and dental services has not improved for most Australians. In fact, they have become more expensive, and have been placed further out of reach.

VMAG strongly encourages the Australian Community to speak to their GP and local MP about their concerns regarding limited after hours and affordable GP services, and to seek out the facts about Medicare before the forth-coming Federal Election - before they are no longer able to afford to see a GP when they need to.

* *Medical Observer*, 30th July, 2004, p. 9



Courtesy, The Age

Crunch Time for the PBS

The US/Aus Free Trade Agreement (FTA) is back in the news, with the Australian Labor Party refusing to pass the proposed agreement in Parliament unless the Federal Government makes an amendment to protect Australia's Pharmaceutical Benefits Scheme (PBS) and the ability to list generic drugs over patented products.

The PBS has always been a successful system to ensure Australians have access to affordable medications when they need them, while keeping public health spending down.

VMAG urges all Australians to speak to their local MPs about the FTA decision. Further info about the PBS and the FTA can be found at <http://www.aftinet.org.au/papers/sainsbury1.html>, or visit <http://www.aph.gov.au/library/pubs/>, and search for 'PBS'.

“Heading for The Hills”

VMAG visits La Trobe to discuss Medicare.

July saw VMAG host a Community Forum on Medicare in Upwey, in the Dandenong Ranges, as part of its campaign activities in the Federal Electorate of La Trobe. The event was met by an enthusiastic crowd of interested residents, local, state and Federal government politicians and representatives of the local media, who gathered to discuss the recent changes to Medicare, limitations of the current health system and visions for the future.

Speakers on the evening included the CEO of Ranges Community Health Service, Ms Linda West, and representatives from Women’s Health Victoria and the Doctors’ Reform Society. The La Trobe Federal candidates for the Greens, the Australian Democrats and the Australian Labor Party also presented their visions for the future of Australia’s health care system.

Representatives from the Dandenong Ranges GP Association were invited, but unable to attend, as was the Liberal Candidate for La Trobe.

“The impressive turn-out for the evening and the vocal participation of the audience, demonstrates just how important the Medicare issue is to residents of this area,” said Chris Hagarty of VMAG. “La Trobe’s bulk billing rate has fallen by 5% in the last 12 months alone, and is now well below the National Average. La Trobe covers a very large urban and rural area. This, combined with low bulk billing rates, results in very limited access to GP services, both geographically, financially and in terms of after hours services.”

“The people of La Trobe deserve better access to affordable health care services, and from the discussion at the Community Forum on Medicare, it is clear that they would like to see more done to ensure this for themselves and their families,” said Mr Hagarty. “Medicare and health care generally will certainly be an important issue to be considered by La Trobe residents when casting their vote at the Federal Election later this year. It is important that they encourage their politicians to state their plans and visions for the future of health care services in their area before polling day.”

The Community Forum on Medicare in La Trobe was one of a series of Forums to be held in Victorian electorates before the Federal Election. Those wishing to hold Community Forums in their area are encouraged to contact Chris Hagarty for more information and assistance (Ph: 9429 1855, email: chris.hagarty@iechs.org.au)

VMAG General Meeting

All members are invited to attend the next VMAG General Meeting

Tuesday 31st August, 11.00 am
Yarra Health Services.
Level 3, 283 Church St, Richmond.

RSVP: Maureen Murray.
Phone: 9429 1855.

Email: Maureen.murray@iechs.org.au

VMAG Receives Grant.

VMAG was recently informed that its submission to the Reichstein Foundation for further funding was successful.

The grant will enable VMAG to continue its public health advocacy activities, including;

- the development and dissemination of public health policy and advice to major political parties,
- the development of advocacy resources and kits for Members,
- organising and holding public information sessions,
- assisting Members to engage local MPs and to hold public meetings,
- the compiling of Consumer Medicare Stories and their dissemination amongst the media.

VMAG Calls for Consumer Medicare Stories.

In order to inform the Australian media and the general public about the effect that the Federal Government’s changes to Medicare has on people and their families throughout Victoria, VMAG regularly sources and interviews health service consumers about their difficulties in accessing affordable health care services, when they need them. These Consumer Medicare Stories often highlight reduced bulk billing services in their area, or a lack of after hours services.

Below are a number of examples of Consumers who have spoken with us recently. We thank them for their support in speaking to us and for their courage in communicating their difficulties to the wider Community. VMAG is interested in hearing from anyone who has a story to tell in regards to their trying to access affordable health care services (Ph: 9429 1855, or email: Maureen.murray@iechs.org.au).

Isobel’s local GP of many years recently ceased bulk billing, and she cannot afford the \$36 each time she needs to see a doctor for her complex health problems. She now has to find someone to drive her to a GP, thirty minutes away.

Kerry’s husband no longer works due to serious illness. Each time he needs to see his GP, he pays an up-front fee of \$45 and \$20 worth of Medication. They do not qualify for the \$300 Medicare safety net, and they won’t generate enough medical expenses to access the \$700 safety net. “We’re being disadvantaged because we’re just over the tax threshold, yet we don’t earn enough to be able to pay the GP fee if we need one in an emergency”, says Kerry, who now travels twenty minutes away to see a bulk billing GP when she needs one.

Bill is a shift worker, and the sole income earner for his family. Bill’s GP of many years now charges \$40 per visit, and the only bulk billing doctor in the area doesn’t work after hours. Bill can no longer afford to see his GP when his asthma plays up, and can only see the bulk billing GP if he takes time off work, which his employer doesn’t like.

Kate’s GP stopped bulk billing late last year. First he began charging \$30, and now she must pay \$50 with each visit. She recently had a car accident, and later that day, her housemate noticed she was concussed. Kate spent three hours waiting at the Emergency Department of the local hospital because she couldn’t afford to see her GP.

MedicarePlus Misses the Mark

Editorial

The Convenor, The Victorian Medicare Action Group.

Despite an exhaustive advertising blitz, there has been surprisingly little analysis of the impact of *MedicarePlus* on the community, and it appears that media commentators believe the issues regarding limited access to affordable health care services have now been resolved; that they no longer exist as an issue in voters' minds.

The following analysis, however, demonstrates that the community is still very much at a disadvantage in regards to health service accessibility.

Increased costs to the Community: Recent data provided by the Health Insurance Commission indicates that this issue, rather than being resolved through *MedicarePlus*, is actually getting worse. Out of pocket expenses have increased a staggering 14% in three months; Australians are now paying an average \$14.95 above the Medicare rebate fee with each visit to the GP. At the same time there has been a dramatic decrease in the number of attendances at GP practices throughout Australia, thus continuing a trend in which fewer Australians are visiting their GP.

Increased use of hospitals: Concurrently, increasing numbers of people are using hospital Emergency Departments for Category 4 and 5 presentations (these presentations constitute medical cases which would normally be treated by a GP). Recent data from the Royal Children's Hospital indicates that up to 3,000 children presented with Category 4 and 5 complaints in June. These are children who could have been attended to by a GP in their local area, should one have been available.

System abuses by Specialists: It appears the *MedicarePlus* Safety Nets and advertising blitz have confused the community, and have made it difficult to criticise the changes. According to Federal Government statements, 2.5% of the population (400,000 people) have accessed the new Safety Nets, however 97.5% have not benefited at all. Most of those accessing the Safety Nets are Australians who are likely to have a chronic illness and be extensive users of expensive specialist services.

As has been supported by Health Insurance Commission data, once a person is able to access the Safety Net, specialists have benefited greatly by putting up their prices in the knowledge that their patient will only have to pay 20% of the bill and the Government 80%.

Rather than ensuring better access to GPs, therefore, *MedicarePlus*, has actually assisted specialists to increase their income at the expense of the tax payer and the average user of GP services. While supporting people with chronic illness is welcome, allowing uncapped fees for specialists was not the fundamental problem that was looking to be solved through *MedicarePlus*. The Safety Net policy will prove to be both inflationary, unsustainable and encourage both cost shifting and poor practise.

There are many more cost effective ways of ensuring people with a chronic illness get their health needs met. The Safety Nets will definitely need to be reviewed post election as the cost blow-out becomes obvious.

Fewer people accessing GPs: Health Insurance Commission data reveals a slight increase in bulk billing rates in the previous quarter, however, there has also been a decline in the actual number of attendances at GPs. This results in fewer people being bulk billed, but the rate of bulk billing remains high. In addition, the \$5 and \$7.50 extra payment for seeing health care card holders and under 16 year olds is not indexed; as practice costs increase, GPs will once again cease bulk billing in order to make their practices viable.

In the eastern suburbs of Melbourne there are now reports of GPs refusing to take on new patients as they struggle to meet the demand for their services. The Whitehorse Division of GPs President, Dr. Pat Crowe, stated "...about 30-40% of [Whitehorse] Division GP clinics have had to 'close their books' to new patients at some stage in the past three years".

To further compound the problem, there has been no implementation of the bulk billing practices to be attached to hospital Emergency Departments in Victoria as promised by the Federal Government.

It is now unlikely that these will be developed prior to the next election as their implementation in Western Australia has been fraught with disputes with local GP groups. The Government is unlikely to want this type of political scandal to occur in Victoria. The hospital bulk billing clinics were, however, highly publicised and promoted as part of the *MedicarePlus* scheme which, while not a long term solution, would have been helpful.

Meanwhile, it is extremely difficult for any health care consumer in Victoria to access a bulk billed, after hours service. The Victorian Medicare Action Group has numerous case studies of people who are unable to access services and who have to drive in excess of 100 kilometres to find a GP, or who cannot afford the cost of attending a GP.

One of the solutions suggested by the Commonwealth Government has been to recruit overseas doctors. It seems ethically and morally bankrupt for a country like Australia, with significant resources and wealth, to be actively recruiting doctors from countries who themselves desperately need these doctors. Many of these countries have a significantly worse health status than Australia.

The real question is, has *MedicarePlus* solved the problem it set out to solve? There is compelling evidence to suggest it has not! What the Federal Government has managed to achieve through *MedicarePlus* is to confuse most health care practitioners, media commentators and the Community about how the health care system is working. The real story is that if you shift interstate or to a new community, you may be refused access to a GP, or be seen by a GP that has been taken from a developing country. The next time you go to your GP, there is every likelihood that you will be taking more money out of your pocket to pay for the service and your GP will be less accessible, particularly after hours.

This will be the true test of whether the vast majority of Australians have benefited from *MedicarePlus*. It would be good for journalists and health policy analysts to say so prior to the next election.