September 25, 2003

Health Forum

Tonight - a special look at the state of our health system. Next week marks the 20th anniversary of the birth of Medicare but, two decades after its creation, there are claims that bulk billing is doomed and that the State hospital systems are dysfunctional. Health is a source of constant friction between State and Federal governments and it promises to be a major issue at the next federal election.

Jenny Brockie is joined by Senator Kay Patterson, the Federal Health Minister, her Opposition counterpart Julia Gillard, who's in Adelaide, the Victorian Health Minister Bronwyn Pike and her shadow David Davis, and, in our studio, a wide range of interested parties, including patients, health professionals and administrators. We'll thrash out some of the issues in a minute but, first, Alan Sunderland reports on the state of general practice.

GP Backgrounder:

REPORTER: Alan Sunderland

Merrick Quinn has diabetes, so he needs to see a doctor regularly, but in the past 12 months, all of his local GPs have stopped bulk-billing.

MERRICK QUINN: Sometimes, because I'm in this wheelchair, I get really sick, me shoulder kills me, but I can't afford to go to the doctor. So all it's done is make it really hard for people like us to actually see a doctor.

Merrick Quinn's neighbourhood is Wenderee, a working-class suburb in Ballarat about 1.5 hours from Melbourne. He can often be found at the neighbourhood community house where he swaps stories with other locals about how expensive it is these days to get sick.

MARIA MORBEY: Well, it's a bit hard now, because you've got to pay to see the doctors and I took my little girl in, Nettie, say about two months ago, and I got a bill for $43.

REPORTER: $43? What happened?

MARIA MORBEY: I haven't paid it. I'm serious, I haven't paid it.

KATRINA BURNS: Well, yesterday as a matter of fact we had to pick one of the kids up from school because she wasn't well and we couldn't get her into our own doctor so what we did was we took her to the hospital.

MERRICK QUINN: Like, I was sick here recently, I just stayed in bed for three days and said, "Oh well, I'll either get better or I won't, and there's nothing I can do about it" because I cannot afford to go to doctors. I just can't, and it's wrong.

The people of Wenderee are clearly doing it hard, and they're not alone. The Howard Government has recently unveiled plans to reform our health system but critics say it's a case of too little too late. Bulk-billing by GPs is now in serious decline right across the country.

DR. BERNIE CRIMMINS, MANNINGHAM MEDICAL CENTRE: Did you have any pain or anything like that when they occurred?

ZAKEA BACHOUR, PATIENT: No pain.

DR. BERNIE CRIMMINS: I gave up bulk-billing four weeks ago. Unless the rebate was greatly altered, I reckon it's gone forever.

Dr Bernie Crimmins bulk-billed his patients for 15 years in his suburban Melbourne practice. When he finally stopped last month, he was almost the last doctor in his area to do so.

DR. BERNIE CRIMMINS: The pressure was coming on us from new patients who were arriving, who obviously wanted to be bulk-billed, so there was that pressure occurring that we were starting to get more and more patients coming in and it was putting more and more time pressure on us as well.

Dr Crimmins gave up his 2-man practice, moved into a big medical centre with about 15 GPs and started charging all his patients. Most of them, like Zakea Bachour, accepted the change.

ZAKEA BACHOUR: I'm not scared about pay extra or less, doesn't affect me. Maybe some people different, you know. But when I see him I feel more comfortable with him because I'm with him for a long time.

Bernie Crimmins says his case is typical and he denies any suggestion that doctors who abandon bulk-billing are simply greedy.

REPORTER: Are you a greedy doctor on a 6-figure salary with a Mercedes in the garage?

DR. BERNIE CRIMMINS: No, I'm not. I've actually got a second-hand Toyota. You might look at this and say "Wow, this is a fantastic place." but I've borrowed every single cent to move into here. No, look, when I compare myself to, you know, what I pay when I go to the vet or what I pay when I go to the dentist, what we get is far, far lower than that.

The pressure on GPs is showing up elsewhere in the system too. At Frankston Hospital in Melbourne's south, a private after-hours clinic called Medicentre has operated for more than 15 years, providing GPs for people who would otherwise finish up at the emergency department. But over the past few months, callers to the service have been hearing recorded messages like this:

RECORDED VOICE: Unfortunately, we have a doctor shortage and will be closed after 10:30pm on Saturday, September 13. We apologise for this inconvenience. If you have an urgent problem, please attend the emergency department at Frankston Hospital.

And so, when night falls in Frankston, people trying to find a GP end up joining the queues at the hospital's emergency department.

DR. ANDREW SMITH, MEDICENTRE: Some of them come back to us as patients the next day who try and get appointments already in an overfilled system, or they have to wait in casualty and that tends to be what happens, they'll wait in casualty.

So what are the competing plans to fix these problems? Well in April this year the government unveiled a four year, $917 million dollar plan with three key features. There were new subsidies to encourage doctors to bulk bill all pensioners and health card holders, there was provision for gap insurance for anyone spending more than $1000 a year in out of pocket hospital expenses and there were a series of measures to try and put more doctors in rural and regional areas. One month later Labor responded with a 4 year program worth twice as much, 1.9 billion dollars. Labor says it would increase the bulk-billing rebate for patients eventually to 100% of the schedule fee. There would also be financial incentives for doctors to bulk bill everyone and Labor says there is more policies to come. Since then, the Senate has vowed to reject the Government package because it would just push up health costs for most Australians but Labor's alternative has been attacked for being expensive and unfunded. And while the politicians argue, the patients continue to lose out.

MERRICK QUINN: I blame the Government. I really blame the Government. I feel like people in our situation, who can't afford private health and all that stuff, I class us as the invisible people. They don't see us, so therefore we don't exist, you know, and they don't care one way or the other.

Forum Part 1:

JENNY BROCKIE: Well, Kay Patterson, I'd like to start with you. I wonder how you feel as a government that's been in power for nearly seven years, with so many doctors and patients saying that they feel that you've let them down, they feel that you've let the system run down to the point where it's not viable for either group.

KAY PATTERSON, FEDERAL HEALTH MINISTER: I think there've been some changes over a period of time and one of them - well, first of all, we inherited a mal-distribution of general practitioners. There were far too many in the city and far too few in rural areas and outer-metropolitan areas and I was concerned when I became Health Minister that we had people who'd never seen a bulk-billing doctor, particularly in outer-metropolitan and rural areas. We've got two major programs - one to get doctors into rural areas. There's about 14 programs and there are now a significant increase in the number of GPs in rural areas. It's about 11.7% increase in full-time doctors over the last four years. We've got a program to get doctors into outer-metropolitan areas and, with the fairer Medicare package, it's about increasing the number of doctors, increasing the number of GP registrars, increasing the number of medical students, increasing practices that have nurses to assist them. And as I move around GPs, they say to me, "Practice nurses, that's what we need to help us."

JENNY BROCKIE: Well, let's take a look at some of the structural issues because bulk billing for example, let's have a look at what's happened to bulk billing rates in the past three years, the decline from 79.2% of services to 68.5%. That's just in three years. We've heard this week about galloping health costs, Australians spending an average of over $600 a year out of their own pockets - that's on top of private health insurance - for health services. We've got shortages of nurses,

GPs, specialists. Your Government's been in power for quite a while. Do you think you've failed in this area?

KAY PATTERSON: Well, the issue about the increase in spending - that came out of the Australian Institute of Health and Welfare report earlier this week. And what it was indicating was that the increase in medical services that people are paying is very, very small. The significant part of that increase is driven by non-prescription medications - medications that don't attract the PBS - and also dentistry. And also when you see the increase in gaps that GPs are charging - under Labor in the last seven years, it went up about 11%. Under us, it went up about 5%. So the gap hasn't increased all that match. 7 out of 10 visits, or just on 7 out of 10 visits to a GP are still bulk-billed. The thing that concerns me is that the headline bulk-billing rate hides an inequity that there are people on high incomes like me who can walk down to a number of bulk-billing doctors. There are people in rural and outer-metropolitan areas who can't see a bulk-billing doctor. The fairer Medicare package is about giving incentives to increase the likelihood that people on low incomes, particularly on a health care card, have access to a bulk-billing doctor.

JENNY BROCKIE: Well, Graeme Alexander, you're a GP in Tasmania. What's it like for you on the ground and are the minister's measures going to help?

GRAEME ALEXANDER, HOBART GP: Not at all, neither Labor or the Liberal package will help our practice or our patients at all. I am a practice principal of an 8-doctor practice. We add up to four full-time equivalents and care for 8,000 patients. We, for over the last few years, were faced with, by our accountant and practice managers telling us that we cannot afford to bulk-bill our 70% health card and pensioner holders any more. At every meeting, as the meeting finished, we would listen to their advice and think, "No, we can't do it." That process went on for 15 months, until we were faced with one of three options. One was to close our practice - and if anyone knows of the workforce issues in regional Australia, our 8,000 patients would have nowhere to go. We could practise 6-minute medicine. Both Labor and Liberal policies force us to do that if we are to stay bulk-billing. 6-minute medicine wasn't an option for any of the eight doctors in our practice -

JENNY BROCKIE: "6-minute medicine" meaning that you can only afford to see a patient for six minutes for the practice to be viable if you bulk-bill?

GRAEME ALEXANDER: In order to fund our practice to stay viable to generate from bulk billing that is the amount of time you can contribute to patients. We think our patients deserve better than that. We think the Australian population deserve better than that. We took the third option, reluctantly, which was to charge a $5 gap which since has gone to $7 and at the end of this month will go to $10. And again, who would like to be a GP sitting in a chair like the GP we've seen on the leader and face to face with a patient in the front line of medicine and they have presented late - let's think of an illness - late with a breast cancer because they didn't have the money to come, a widow whose husband's died from an infarct, cardiac infarct, because they couldn't afford to come. I think politicians and people are very distant from what is really happening in the front line of medicine.

JENNY BROCKIE: Well, Julia Gillard, Graeme says that your measures aren't going to help him either.

JULIA GILLARD, SHADOW HEALTH MINISTER: Well, I think our measures are going to help and I'd like to say, when Labor left the system, 80% of consultations were bulk billed. The workforce shortages have been contributed to by the Howard Government that introduced mandatory post-graduate training for GPs and then limited places. Now, they have been contributing factors to the situation we find ourselves in now with a GP shortage and with

bulk-billing rates plummeting all round Australia. The $1.9 billion package we announced in May we said was a down payment on saving Medicare. It was about getting the Medicare rebate up to the scheduled fee, so $5 extra, plus a targeted series of incentives to get doctors in needs areas, like Tasmania, bulk-billing again.

JENNY BROCKIE: So what are you saying, Julia? Are you saying we haven't seen all of your policy yet? Is that what you're implying, that there's a lot more to come?

JULIA GILLARD: Certainly not. Yes, there is a lot more to come.

JENNY BROCKIE: When will we hear the rest?

JULIA GILLARD: Well, you'll certainly hear about it well before the next election. And the day that we announced the Medicare package in May in Simon Crean's Budget reply, we said it was a down payment on saving Medicare and that we would be announcing further health policy between then and the next election.

JENNY BROCKIE: Rod Wilson, you're the CEO of a community health centre in Victoria. I wonder what you've noticed happening in the last little while?

ROD WILSON, COMMUNITY HEALTH CARE CENTRE: Well, we've seen huge changes in terms of what's occurred and I suppose one of the biggest issues is in fact the decline in the number of people seeking GP services. In fact, over the last year, 3 million Australians decided not to go to a GP when they probably needed to go compared to the previous year and obviously that's a huge problem. These people's health is suffering and it's probably based on affordability. I think that also represents probably significant savings for the Government. Every time somebody doesn't go to a doctor, in fact, the Government saves some money so we're seeing a huge change in the pattern and the way people are using the health service and obviously it's a big concern in terms of their own health outcomes.

KAY PATTERSON: Can I just respond to that? That in fact, we've brought in a number of measures for long-term consultations, the pit payments to actually allow doctors to work with patients who've got diabetes, with asthma, with mental illness or depression and we would expect that doctors would spend longer time. We've also increased significantly longer consultation payments and seeing doctors being able to spend longer - now, I know doctors will always say they want more - and that's not saying they're greedy - but, in every part of the health portfolio, people tell me they want more. But we have not seen a decrease in the outlays from MBS as a result of that decline so people are spending longer they're actually having their chronic diseases managed.

JENNY BROCKIE: Rob Walters, back on the ground, what do you want to say in relation to GPs and the sort of claims that are being made about why GPs are doing what they're doing and whether the incentives are in fact adequate?

ROB WALTERS, AUSTRALIAN DIVISION OF GENERAL PRACTICE: I think it's a shame that inevitably it seems to come back to doctors and the "greedy doctor syndrome" and that's just not what it's about. General practitioners in this country have been underwriting the system for a long time. They look after their patients they look after their disadvantaged patients. We want to talk about access. We want to make sure that the gentleman that's got diabetes such as in the leader can actually see a general practitioner. What we're talking about though, as Graeme has said, is sustainability. Do we want doctors out in the community, general practices out in the community? Because we just can't survive out there as a small business at the moment the way things are.

JENNY BROCKIE: And do either of the proposals being put forward by the Labor Party or by the Liberal Party actually address your concerns? Are they going to improve things?

ROB WALTERS: Can I say to Miss Gillard that we need much more than a down-payment, What we need is a significant investment in general practice because general practice can save you big bucks at the other end, stop people going to hospital, stop people going to specialists, and it's very important that governments of either persuasion realise that the answer is general practice, a big investment in general practice. The minister has identified the problems. We just don't agree with the way that they are spending their money. But the money they are spending is roughly in the ballpark.

JENNY BROCKIE: Neal Blewett?

NEAL BLEWETT, FORMER LABOR HEALTH MINISTER: Well, just to tackle the problem, we've now had three GPs, yet we've had no explanation from any of them as to why, after 15 years, when year by year, the bulk billing of GPs went up for 15 years, it increased gradually and then the last two or three years it's fallen away. In order to cope with the problem, we've got to know why that has rather suddenly happened and I'd like the GPs to explain that to us.

JENNY BROCKIE: Graeme, why do you think it's happening?

GRAEME ALEXANDER: I addressed the Senate select committee and I've spoken to I don't know how many politicians and I have asked all of them what it costs to run a general practice. The submission from the Department of Health and Ageing to the Senate select committee - nowhere does it say how much it costs, nowhere does it make any reference to the rising costs of general practice. I have had an open door and an invitation to politicians of all persuasions to come to my practice with whatever number of accountants they like and see if they can do it better. No one has taken up that offer. The simple question is what does it cost and what do our costs rise at? Julia Gillard said - you heard it all $5. You've heard our practice already talking about $10. Why are we going to look back and say $5? Both policies are linked to CPI. Is there anyone here or out there who can tell me that my practice costs rise with CPI? The CPI for the last quarter was 0. Our practice costs have skyrocketed in the last quarter.

JENNY BROCKIE: Let's hear from a couple of users before we keep talking to doctors. Maureen Ballantine, you're a pensioner from the Central Coast of NSW. I wonder how many bulk billing doctors there are near where you live.

MAUREEN BALLANTINE, COMBINED PENSIONERS ASSOCIATION: We did a survey amongst our area council, which stretched from the lower end of Newcastle to the perimeter of the Gosford and Wyong shires, and we had five GPs in that area that were bulk-billing. Bearing in mind that we only have 235 GPs on the Central Coast from Gosford up to Newcastle.

JENNY BROCKIE: And what does that mean for you as a consumer when you get sick?

MAUREEN BALLANTINE: It means a cost of approximately $80 per visit to the doctors. You have to remember that the folk that I deal with are elderly. They - most of them haven't got a licence any more. They have to catch public transport and in our particular area it is privatised. They have to get to the GP. They have to have at least $40 to $45 to pay up front at the desk. They then have to get another bus to go to Medicare office to get their $25.05 back. They then have to get another bus perhaps or maybe in the same shopping

centre go to chemists and get two or three scripts filled. Then they've got the journey home again.

JENNY BROCKIE: So there are a whole lot of flow-on effects from not having a bulk-billing doctor down the road.

MAUREEN BALLANTINE: Enormous issues on the elderly and the disabled in our area, yes.

JENNY BROCKIE: Les Elkins, what about you? What's it like where you live in Newcastle in NSW?

LES ELKINS, COMBINED PENSIONERS ASSOCIATION: Atrocious. Pardon me. I believe that the people up there are doing it extremely hard. Most of the people that CPSA, the combined pensioners represent, came through the depression, the difficulties of the Second World War, the hardship after the Second World War, had full employment all their life, paid top taxes. Now they're in their twilight years. They just want to live a life of...be comfortable.

JENNY BROCKIE: George Quittner, you work in a very different area in a wealthier suburb of Sydney. Should people like Les and Maureen have to pay? Is it reasonable for them to expect to be bulk-billed?

GEORGE QUITTNER, MOSMAN GP: Well, as you can see by the way I'm dressed, I'm actually a patient and my greatest fear is that, when I get to be old, there won't be any GPs around to look after me, certainly not the sort of GPs who I've enjoyed being cared for in my own childhood and my colleagues who I've worked with for the past 20 years so my heart goes out to people who now find themselves having difficulty finding a doctor. There's a very good reason for that. Bulk-billing which seems to be some kind of sacred cow to all present, has actually destroyed general practice in this country. Now, the bulk-billing rate of 80% is too high. The bulk-billing rate of 70% is too high. Last time I went to Newcastle and I worked at the Royal Newcastle Hospital, and I've been to Tasmania. I saw petrol stations and I saw pubs and I saw hairdressers and I saw all sorts of people walking in and buying their services. What is it about medicine that makes us so special that people won't pay $1? It's an interesting question in itself.

JENNY BROCKIE: Some people might not have those extra dollars to spend.

GEORGE QUITTNER: I just said $1. They won't pay $1, and I even have an example of that. I had an elderly lady in my practice who was actually quite well-to-do. I didn't bulk bill. In those days it was Medibank, but I used to accept the rebate. And then when universal bulk billing came in, I decided no I can't do this for all sorts of personal reasons. I come from a socialist country originally and I decided that she should pay me $1 and this is a lady for whom I'd got out of bed on many a night and I still do get out of my bed to go and see patients and few of my colleagues believe in these things, but she wouldn't pay the $1. She went to another doctor. And that was an important lesson for me because I feel it is a two-way thing. Those who can't afford medical care, I absolutely agree that the Government should provide the means to help them. But I suspect that 70% or 80% of our community are accustomed to buying petrol, are accustomed to going to the pub and buying a beer and unless they are chronically and seriously ill, they can afford to pay a small sum towards the doctor.

JENNY BROCKIE: Kay Patterson, let's just run quickly through the measures that you're proposing to address the problems in relation to GPs. Could you quickly outline them for us and then I'd like to hear what people think of them.

KAY PATTERSON: Well, part of the fairer Medicare package is about increasing the number of doctors and, as has just been said, it's very hard to turn that round overnight. But the package has got 234 more medical students, 150 new GP registrars on the ground training next year. 800 practices should benefit from practice nurses and that gives doctors more time to spend with patients and, as you go out, doctors talk about practice nurses and more time to spend with patients. They don't necessarily talk about increasing their incomes and I think that's been a fallacy and I want to get away from that because, as doctors say to me, they could shift and move to another area if they wanted to maximise their income. What they're wanting to do is to increase and improve their services to patients. If a patient doesn't have a bulk billing doctors, people say to me, "Why do I have to go to a Medicare office? Why can't I just pay my rebate to the doctor or sign my rebate over to the doctor and pay the gap?" Now that was part of our package but the Labor Party has opposed that, saying doctors will just put up their fees because it's convenient.

JENNY BROCKIE: Rob Walters, can I ask you how much support there is from your members for the Government's measures?

ROB WALTERS: There's a lot of support for some of the factors involved in the package. Unfortunately, it's the coercion to bulk-bill that's surrounding the package that's the problem. In other words, there are some very good ideas - practice nurses, single point-of-service transaction, which is what the minister was just talking about, where everything's done with one swipe of the card at the front desk. There's a number of issues - the increased medical students, the increased training places - but, unfortunately - the latter two aren't - a number of those are - you are required to bulk-bill to obtain those services in your practice. Can I just simply say to Dr Blewett in response to his question earlier that the practice has changed since you were health minister, Dr Blewett. We now have an ageing population we have a population that's expecting more of their general practitioners. We're able to do a lot more. We're able to image, we're able to treat, we're able to use very expensive drugs and so there is an extra cost and this ageing population and the workforce issues that we've just heard about that really need immediate answers, both short term, medium term and long term. And that's what we should be addressing.

ARN SPROGIS, HUNTER URBAN DIVISION OF GPS: To some degree, this is a fake debate. I come from the Hunter Valley where the previous gentleman came from. We provide, in the most difficult, as per the promo, in the most difficult of the day, that's night time, after hours, we now provide, courtesy to the minister I've got to say, we've recruited over 200 GPs to provide an absolutely free point-of-care service on five sites in an integrated way. We provide taxi transport for patients who can't get transport in and we do that in a non-Medicare environment. Medicare has reached use-by and I guess my greatest wish is that we stopped having this discussion about Medicare and bulk-billing and the rubbish that comes with it and had a real discussion about health care funding, about financing patient care properly, about looking after the chronically ill, about making sure that places where I come from, regional areas and also rural areas, had real access to health care services, doctors, nurses or whoever. That's the real debate we should be having and not this fake debate about bulk billing and Medicare and whether it's a wonderful thing. Its use-by has come and gone.

JENNY BROCKIE: Rod Wilson?

ROD WILSON: The trials are very much on an ad hoc basis, though. And there's no systemic response to these issues. Some practices get some benefits and some don't and the community and the GP practices cannot understand why some practices are singled out for benefits and others aren't. We feel what we really need is a comprehensive primary health care policy. In this country, the vast majority of health treatments occur in the

community. We have no policy framework within which we're working. So those of us who work in the primary health care field have no sense of direction or leadership from the Government and we desperately need a primary health care policy.

JENNY BROCKIE: Maureen, you'd like to say something?

MAUREEN BALLANTINE: Minister, I firmly believe, representing a peak organisation of pensioners, that until you as a Health Minister have a round-table discussion with the State minister of health, that none of us are going to get anywhere.

KAY PATTERSON: And I agree with you.

MAUREEN BALLANTINE: There's too much division between Federal and State. Why don't you all sit down and have a good discussion over it? And stop the bickering over it.

KAY PATTERSON: Well, we do. We have planned meetings. Can I just say to you that, in the meetings, we have these reasonable discussions and quite civil discussions. It happens outside, when we get the flurry of the TVs and we see people you know with a moment of glory in front of TV and I have to include all of us in that, you know we've got to have a say. But, behind the scenes, there's been very cooperative constructive work. Julia Gillard talks about people moving from hospital to home. South Australia - we've got some creative, innovative aged care programs, where we're talking aged care beds that haven't come online, using those, people are there waiting for an aged care bed. We've actually increased funding for aged care from $3 billion to $6 billion but we will always have points where you have people waiting. It happens that the public sees a face of conflict - of course, I've got eight Labor ministers and me but, with all due respect to them, I believe that they have been civil to me and I've been civil to them behind the scenes and we've actually come a long way in that reform process.

JENNY BROCKIE: I'd just like to crosscheck this with Bronwyn Pike, who is the State Victorian Health Minister. She'll agree it's civil. Is that true? Is it civil or is it impossibly divisive?

BRONWYN PIKE, VICTORIAN HEALTH MINISTER: The reason that the State ministers fought so vigorously and why the public saw this display of so-called 'squabbling' is because, not only were we concerned about the quantum of dollars that the Commonwealth was offering the States to run the hospital system, but it was have this very issue of reform that was off the table at a critical point when we were negotiating the next agreement. Because these issues do affect us at a State level as we run the hospitals, we have 600 people in our hospitals in Victoria who need a nursing home bed and can't get one. We have massive increases in people who can't get GP services coming to our emergency departments and it's foolish just to discuss health care as if it's just a lump of funding to a hospital that can then go off and run themselves independently. These are very important connections between primary health and acute health and, unless we get those connections right, then we are going to continue to have the public bickering and that really doesn't serve any well in Australia.

JENNY BROCKIE: Well, let's have a look at some of the issues that are facing our hospitals in Australia at the moment. This report is from David Ransom.

Hospital Backgrounder:

REPORTER: David Ransom

The build up of emergencies in public hospitals regularly results in the postponing of elective surgery. It's a common experience for Professor John Dwyer, the clinical program director for medicine and oncology at Sydney's Prince of Wales Hospital. He was also the convenor of the recent Australian health care summit, attended by 250 health care professionals and health advocates.

PROFESSOR JOHN DWYER, CONVENOR, HEALTH CARE SUMMIT: Patients can spend three or four days stuck in an emergency room. An emergency room is meant to be a flowing river - you quickly assess people, move them up to the unit where they can get best care, and turn your attention to the next person knocking on the door. When the dam is - when the river is dammed up and people spend three or four days in emergency department, their whole admission turns out to be longer, less efficient, more cost ineffective, so that these are major, major problems for the system. We're not extracting as much health from the available dollars because of these inefficiencies.

Contributing to the problem is the chronic shortage of nurses. The Australian Nursing Federation estimates that within three years the shortage of registered nurses Australia-wide could reach 30,000.

PROFESSOR JOHN DWYER: The consequence of that shortage of staff is that we have to use casual staff, and that is a problem across Australia which is certainly affecting the quality of the care we deliver.

Professor Dwyer points to the communique from the recent Australian health care summit as a guide for governments to improve the health system.

PROFESSOR JOHN DWYER: They've all inherited an increasingly dysfunctional system, so the villains are the ones who won't help us fix it. We know that we need to redefine the role of the states and Canberra in health care delivery. We know that unless there is a new era of state and federal collaboration that could see us better integrate our services, save at least $2 billion in duplication, we're going to continue to see our once health care system we were once so proud of become increasingly dysfunctional.

Forum Part 2:

JENNY BROCKIE: Claire McGuinness, what's it like in the hospitals? You'd know better than anyone or better than many of the people here.

CLARE MCGUINNESS, MONASH MEDICAL HOSPITAL: I think it's just getting harder and harder. I've been in the States - public system for 14 years now. And I know at Monash Medical Centre we saw 1,500 more presentations to the emergency department in the month of August.

JENNY BROCKIE: Why do you think that is?

CLARE MCGUINNESS: Well, there's obviously the flu which, you know, had a big impact, but the majority of our presentations to the emergency department are triage four and five

category patients. So they're patients who come in with abdominal pain or a headache or a bit of a skin condition or a fractured finger. They're people that could go to the GP. Of those category fours, I know that 68% are discharged home, they're not admitted to the hospital.

JENNY BROCKIE: And why do you think they're not going to the GP?

CLARE MCGUINNESS: Because they can't afford to pay so it's free, it's a free service. We've actually done a survey at Monash Medical Centre asking patients what is it, why do you come here? It's free. It's open 24 hours a day. It's just, for us, it just feels - like, I'm actually on award so, you know, our hospitals run through the emergency department. It's a juggling game. I'm telling patients of mine to sit in the corridor, just hedging our bets that they might be discharged today so that I can get this patient up from the emergency department. It's just overcrowding and we just feel that, every year, we seem to get cutbacks but the demand's getting bigger. I mean the public's demand of the health system is getting larger and larger all the time.

JENNY BROCKIE: Jacqueline Branston, you have a chronically ill son. Now you have regular experience of the hospital system. What's it like inside as a consumer?

JACQUELINE BRANSTON: We've had seven visits to the emergency department in the last 12 months. Each one has resulted in an admission. It has been a minimum of a 12-hour wait to a maximum of 25.

JENNY BROCKIE: And your son has epilepsy?

JACQUELINE BRANSTON: He has severe, uncontrolled epilepsy and he is like a 6-month-old baby. So I'm expected to wait with him - well, I certainly couldn't leave him.

JENNY BROCKIE: For 12 hours?

JACQUELINE BRANSTON: Up to 24 hours and, when you're admitted to a ward, you walk past a room that's got six vacant beds. That's frustrating.

JENNY BROCKIE: David Davis?

DAVID DAVIS, SHADOW HEALTH MINISTER: What I'd want to say about that is that that is very typical of the stories that I have heard as a shadow minister as I've moved around the State. At Monash Medical Centre and other big hospitals in Victoria, there's an enormous crisis. People are waiting incredible amounts of time. We heard an example of 36 hours at the Royal Melbourne recently. Extraordinary lengths of time and many of the cases are like your son. They are not bulk-bill-type cases or GP-type cases. They are complex cases and many of them are admitted to hospital. It's quite wrong to peddle this idea that it is just doctors or GP-type patients that are not able to get bulk-billing.

JENNY BROCKIE: There certainly is a perception that people are turning up at public emergency departments because they either can't get to see a GP who bulk-bills or because they can't afford to see a GP who doesn't bulk-bill. Lyn Hopper, you're a nurse in Sydney. What do you think?

LYN HOPPER, NURSE UNIT MANAGER: I'd have to agree with Claire, I'm afraid, that the majority of presentations to the emergency department are GP-type patients. You're

triaging them, they've got the abdominal pain, they could well be dealt with by the GP but the majorities of GPs in our area do not bulk-bill.

IAN KNOX, EMERGENCY MEDICAL COLLEGE: There is a big problem in terms of overcrowding in our emergency departments. But it doesn't have - it doesn't relate to bulk-billing in my view. It relates to increase in complexity of patients. It relates to ageing of the community and the demands they make and it relates to the decline in the number of hospital beds that we have to admit patients to or alternatives to hospital beds.

JENNY BROCKIE: Bronwyn Pike, do you accept that, that the current hospital system is inefficient and dysfunctional? I mean, everybody nods their heads about this idea of cooperation, but why don't we have it? Why don't we see Federal and State ministers cooperating? It doesn't seem to matter who's in government.

BRONWYN PIKE: Well look, I'd be very pleased to commit myself and our government to some conversations about how we reform the system. I mean, some of the good things that we've been doing are trying to connect what happens within the hospital system to what happens in primary care and community care so that we can support people within the community and prevent those unnecessary readmissions. But, unless we do have a genuine conversation about whose responsibility it is for varying components of the system, the way that we can have coordinated care and the way that we can utilise our health dollar more effectively, then we will continue to have challenges in the public hospitals. Because they're the front line, they're the free place, they're where universal health care really is at the hard edge and that's where the challenge is.

ROB WALTERS: I can't let your comment that you're the front line - I'm afraid it's general practitioners that are the front line and it's programs such as the one Arn Sprogis described that are keeping people out of hospital and it comes back to what I said before about taking the blinkers off and investing in general practice. We can keep people out of the emergency wards. We can keep them out of the hospitals. We can look after them in the aged care centres. We can run all of the programs that the minister rattled off before. But you've got to invest in general practitioners and you've got to have more of them.

JENNY BROCKIE: Let's talk about fixing some of these problems in other ways too. Peter Sainsbury, can we fix the problems we have with our health system without spending more money?

PETER SAINSBURY, AUSTRALIAN PUBLIC HEALTH ASSOCIATION: We can certainly fix them. There's no doubt about that. In fact, I've been concerned by some of the comments that have been made that paints a catastrophic picture of what's going on. That's not the case at all. Sure, we've got problems. Sure, we've got solutions. But we have to remember that broadly speaking, Australians enjoy good health. They enjoy a good health care system and they like the health care system. They like Medicare. And most people, most of the time, get access to health care when they need it.

JENNY BROCKIE: Jeff Richardson?

JEFF RICHARDSON, HEALTH ECONOMIST, MONASH UNIVERSITY: There are some things we could do with very little expenditure. The evidence that we have available suggests that our hospitals are not safe, that the quality of Australian health care study 10 years ago documented very carefully that the number of people dying as a result of medical error is about the same as a jumbo jet crashing full of Australians every two weeks. Now, this is because we have a hospital system where a lot of regulation needs to be carried out that

hasn't been. For example, very few Australians would know that, following a major operation, there is no need for there to be qualified medical staff in the hospital where they are left to recuperate. We don't have an information system which is worthy of the 20th century. We still use 19th-century clipboards. These could be legislated out of existence overnight. It would take one week to change the scheduling of medical staff so that it would make small, dangerous hospitals safe. These are the sorts of things that are the real cost when we focus all of our attention on money, cost-shifting, federal, State, GP incomes and all the while quality and the distribution of services, the fairness of the services, the safety of the services is being neglected.

JENNY BROCKIE: OK, let me ask another question. Are we spending the money available to us in the most efficient way?

ROD WILSON: I'd say clearly not. We, you know, by the time funds leave Canberra, get to the States and then get transferred to agencies to deliver services, the transactional costs between Commonwealth and State are very significant. The bureaucracies that exist in Canberra and in States and, clearly, at the health care summit, there was a strong call for a health care commission to be established and I think it's beyond belief within the health care profession and health care professionals are calling for some structural change. There actually does need to be significant change and that has to be led and it has to be led substantively by the Commonwealth Government.

JENNY BROCKIE: Martin Goddard, I know you argue that the private health insurance rebate is inefficient for example. Why?

MARTYN GODDARD, AUSTRALIAN CONSUMERS ASSOCIATION: My real concern about the whole private health sector is that I don't think, whether the rebate stays or goes, in the long term, I don't believe private health insurance is a sustainable way of funding private hospitals. Private hospitals treat one patient in three. We can't do without them. They're an integral part of the system. We need to look quite urgently at alternative models to fund the system. There are immense problems within private hospitals, immense cost pressures on the funds and we are simply not addressing that at the moment and the system is starting to fray at the edges.

JENNY BROCKIE: Russel Schneider, why should taxpayers be funding private hospitals to the extent that they are when public hospitals are so clearly short of money?

RUSSELL SCHNEIDER: Well, if we didn't have a private health insurance system and a private hospital system, the public hospitals would be dealing with another 2 million or more patients each year, many of whom are sicker than patients that are being treated in public hospitals at the moment. So the private health system is making, is providing a very useful adjunct to Medicare. It takes the pressure off Medicare. But secondly, we should remember that the people who are privately insured are taxpayers. Indeed, most taxpayers are privately insured. The private health fund contributor pays $7 million towards the nation's health care system, public and private, in addition to which they pay probably somewhere between $3 billion and $5 billion in Medicare levy plus their income tax, their State tax and their GST. So they've contributed a lot to the health care system, in return for which the government recognises that they are paying a lot more than if they weren't insured and gives them back 30% of their premiums, $2.1 billion out of a total payment of about $150 billion to $12 billion. I think it's a good deal.

JENNY BROCKIE: Is there a belief - do people believe the health insurance rebate is working Peter Sainsbury?

PETER SAINSBURY: I certainly don't believe it's working. It was based on a false premise - that the utilisation of private hospitals was declining. It wasn't. It was increasing all through the '90s. So it was based on that false premise. Secondly, it wasn't the rebate itself that got an extra 15% of people into private health insurance. It was the threat campaign associated with lifetime cover and any advantage that may have been gained from the increase in people in private health insurance - and it was marginal at best - it may have lasted for a year or two and it's certainly washed out of the system now and we're still paying the $2.3 billion a year into the private health insurance rebate. In effect, relatively poor people who are paying their taxes are subsidising more affluent people who have private health insurance. They're subsidising their private health care. It's absolutely ridiculous use of public money.

RUSSELL SCHNEIDER: Peter, for a start, would argue that there should be universal Medicare so that people on very high incomes can go to a GP free of charge. Now that's inequitable in my view, that's not middle class welfare, that's upper class welfare and I don't think we should have that. But he also overlooks the fact that before the Medicare rebate was introduced, we had a decline in health fund membership and today, if that had continued, there'd be less than 20% of the people insured.

JENNY BROCKIE: Jane Hall, do you think it's efficient policy to have the rebate?

JANE HALL, HEALTH ECONOMIST, UTS: I think the trouble is that - and this is the way we never have this debate - if we're going to pay more for our health system, we can pay it in one of two ways. We can pay it through the tax system, which is generally related to what people earn, or we can pay it through some of sort of out-of-pocket or co-payment, which is generally related to what people use. So we have a clear choice as to what we think is the appropriate way that we should raise more money for the health system. But we don't have a clear consensus on it. I mean the Canadians can do a national consultation around the country and come up saying Canadians believe in the values of Canadian Medicare where there should be no extra billing, everybody should be bulk-billed for general practitioners.

MAN: That's why they go to America for their surgery.

JANE HALL: Well, there's no evidence that they do, actually. That's anecdote. If you look at the actual numbers, you don't see high numbers of Canadians going to America for surgery. You certainly see numbers of Americans going to Canada to fulfil their drug prescriptions because their insurance policies don't.

JENNY BROCKIE: Let's talk about what we want or what the community seems to want. Surveys that we've seen, Kay Patterson, show that people say they're prepared to pay more tax if health care services are improved and clearly Medicare has been popular. All the surveys suggest that it's popular. Now, do you think every Australian should have the right to attend a bulk-billing doctor if they want to and should they have free hospital care if they want it?

KAY PATTERSON: Every Australian should get the 85% of the rebate. Every Australian, under our fairer Medicare package, will have the right to be bulk-billed. Now, I know doctors will see somebody who they think can afford to pay and charge them. But, if that patient has to come back on a repeated basis over and over for a treatment, doctors will often say they'll bulk-bill and they make a decision. So everybody should be eligible to be bulk-billed, because a doctor can then make the decision, if they do charge a gap that, because of this person's particular circumstances, it may be they have to come twice a day for an injection or every day for three weeks. Then they'll bulk-bill them.

JENNY BROCKIE: But you're not really answering my question. Do you think every Australian should have the right to attend a bulk-billing doctor and have the right to free hospital care, regardless of their income, their status? It goes to the heart of universality.

KAY PATTERSON: Every Australian patient should have access to a public hospital. Every patient should get 85% of the rebate when they see a general practitioner and every patient should have the right for that doctor to bulk-bill them if they so choose. And there's nothing that's changed. When Medicare was first introduced, when the rebate was first introduced, Dr Blewett sits here and I have a letter that was sent to one of his constituents that said that, "Here is your Medicare card. If the doctor chooses to bulk-bill you, this is what will happen. If he or she chooses to charge a gap, this is what will happen." And he said in his own words - I can't remember exactly and I'm sorry, it's unhygienic to put words in your mouth, Dr Blewett - but he said that it was not meant that everyone would be bulk-billed. Everyone had eligibility to be bulk-billed, not everyone would be bulk-billed.

JENNY BROCKIE: Julia Gillard, can you guarantee that every Australian under a Labor Government would have access to a local bulk-billing GP and free hospital treatment?

JULIA GILLARD: The promise of Medicare - and I'm sure Neal Blewett will agree with me - the promise of Medicare is that all Australians will be able to access a doctor without paying. Now, that's not to say that every doctor will bulk-bill. People will always have choice. Some doctors will choose to charge. Some will bulk-bill. But, when we achieved 80% bulk-billing rates, what we wanted to achieve was a system where people could get reasonable access to bulk-billing GPs. Now obviously in the most remote parts of Australia, when you're talking - Ballarat. You are talking about providing health care in different ways. In using the language of bulk-billing, in some settings, you will provide medicine differently than fee-for-service medicine. But the promise of Medicare is that people will get reasonable access to doctors who will see them without charge and the promise of Medicare is that people will be able to be seen in a public hospital without money being an issue. Now, Labor's always had that philosophy. We believe in a universal health system and we believe in it for good reason. Because the evidence from all around the world shows you that, if you create a two-tier system with one stream for people who can pay and one stream for the welfare class, that quite quickly, the welfare stream becomes the under funded and residual stream. We've all got to in the health care system together.

JENNY BROCKIE: Just very quickly, Julia Gillard, how are you going to fund this - through spending the surplus, raising the Medicare limit?

JULIA GILLARD: Well, budgets are about choices. And this is a high-taxing government by Australian standards.

JENNY BROCKIE: But what are you going to do?

JULIA GILLARD: Well, I'm explaining it to you. It's not that the Howard Government hasn't got taxation revenue at its disposal. It does have. It's a question of how you choose to spend that revenue. We've announced already a $1.9 billion funded plan in part that was funded by making a decision not to back some international tax arrangements for business that the Howard Government is backing.

JENNY BROCKIE: But you say you're only part of the way along the road with this and that you're going to be announcing more. Where is the money going to come from?

JULIA GILLARD: Well, the money can come from within the current Commonwealth sector because, as I say again, this is a high-taxing government which we believe has made the wrong set of choices and there is money to move around within the Commonwealth budget.

JENNY BROCKIE: Martyn Goddard?

MARTYN GODDARD: The principle is, I think everybody agrees that the rich should pay more for health than the poor. The question is how you do that, how you put that into place. And the best way of doing it, the most economically efficient way of doing it, the fairest way of doing it is to do that through the tax system. The doctor does not want to be the person who makes these kinds of agonising decisions. That's not what doctors are for. Doctors are to treat people equally and that's what Australians want from their health system. I don't mind having Kerry Packer sit next to me at my bulk-billing GP if he wants to come.

JENNY BROCKIE: Francis Sullivan, a comment from you on this, on the way this whole debate is being conducted. Now you sit atop an umbrella organisation that represents Catholic hospitals, very large group. What to you think about the way we're conducting this debate about health care?

FRANCIS SULLIVAN, CATHOLIC HEALTH AUSTRALIA: We'd be concerned, always concerned that health care is a social good. It's not a commodity. And I understand how GPs are saying they've got a business to run and that's obviously practical. But, when we give people universal health insurance through Medicare, we've also got to make sure that everyone has an equal opportunity to it. I agree with the minister. Not just indigenous people have unequal opportunity. People with mental illness have unequal opportunity. Many people on low incomes without concessions have unequal opportunity. We've got to look at practical solutions, a better use of our resources now, whether public or private hospitals, innovative ways to bring about access to either hospital or primary care, but we must remember the person at the centre of this is the person seeking care, not the providers wanting to maximise their play in the system.

JENNY BROCKIE: Kay Patterson, a final quick word from you?

KAY PATTERSON: Well, I think one of the challenges for all of us is to ensure that we have the fairest system we can possibly achieve, to actually eliminate some of the myths and misinformation that's spread around in terms of the debate in health, but what I'm concerned and what drove me in the fairer Medicare package was that there were people on very low incomes who did not get access to a bulk-billing doctor and headline bulk-billing figures hide that inequity.

JENNY BROCKIE: Well, it's a start. I think we've got a long way to go but I'd like to thank you all very much for joining us on Insight tonight and thank you especially to the minister, Kay Patterson, and to Julia Gillard in Adelaide, as well as the Victorian Minister, Bronwyn Pike and her Opposition counterpart. Thank you very much for your time.

PRINT