

Medicare reforms headed towards a stormy Senate

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The federal government's "Fairer Medicare" package is facing a difficult passage through a hostile Senate after new research revealed that it would increase the cost of doctor visits and cut bulk billing rates.

The research, by the Institute for Primary Care at Melbourne's La Trobe University, was commissioned by the Senate committee which is examining the government's proposals. Patients would be hit with an average cost of \$12 to visit a GP, the report found, if the government reforms go ahead. The rate of bulk billing for GP visits, already below 70 percent for the first time in the history of the scheme, would fall to about 50 percent.

Labor, Democrats and Greens Senators, who have opposed the government's plans, said the report had convinced them to maintain their opposition.

Independent Senator Meg Lees, one of the four Senators whose votes the government will need if the measure is to pass, also said she had made up her mind after seeing the report.

"This has sewn it up for me today," Senator Lees said. "The package as it is is untenable, it simply doesn't work."

The then federal health minister, Senator Kay Patterson, accused the report's authors of [bias](#) [1]When a point of view prevents impartial judgment on issues relating to the subject of that point of view. In clinical studies, bias is controlled by blinding and randomization., and said the study was based on flawed assumptions.

"One of the basic underlying assumptions [of the study] was that doctors are basically motivated by money, and from my dealings with GPs over the last two years that is totally incorrect," Senator Patterson said.

The Australian Medical Association also criticised the report, which it said was based on old data and did not take account of rising liability insurance premiums which had forced up practice costs.

Labor's health spokesperson, Julia Gillard, said the report proved that the government's plan "is to get rid of bulk billing for everyone except concession card holders and to drive charges by doctors to patients up."

Senator Lees says the government's \$7.5 billion surplus should be used to support Medicare, not pay for tax cuts.

"Most people know there is little value in another tax cut, most of which goes to high income earners, if the price of a visit to the GP has skyrocketed," she told the Adelaide Advertiser.

With the Senate now expected to reject the Medicare reforms, the stage is set for a major debate on health policy, with Medicare, the [PBS](#) [2][Pharmaceutical Benefits Scheme] The federal government program which subsidises medication costs in Australia. Anti-HIV drugs are part of a special part of the PBS called Section 100 (S100) which is used for expensive, highly specialised drugs., the Federal-State Health Funding Agreement and the Private Insurance Rebate all emerging as key issues for the federal election expected next year.

Many commentators have also seen the appointment of Tony Abbott to replace Senator Patterson as health minister as a sign of the government's intention to make health funding a major election issue.

- [Medicare](#)

Links:

[1] <http://www.napwa.org.au/glossary/term/473>

[2] <http://www.napwa.org.au/glossary/term/121>