



Australian Health Care Reform Alliance

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Budget a dangerous step away from evidence and universal health care

'Our alliance of health service, professional and consumer organisations is shocked that the Budget has turned its back not only on fairness and evidence, but that it has deliberately moved away from the principle of universal health care,' said Tony McBride, Chair of the Australian Health Care Reform Alliance.

We are clearly heading dangerously towards a starker two-tier system which forces those who are the sickest and on lowest incomes to pay more or receive a poorer quality service. The well-known evidence about the shocking implications of the two-tier system in the US should be setting off alarm bells for all of us. Our member organisations are deeply concerned that this and other evidence has not been heeded.

The Budget now forces the sick to pay extra for visits to a GP, for the medications prescribed, and the tests required: a triple whammy. It withdraws the funding for better dental services for the third of Australians on health concession cards, already waiting years for treatment.

One example of how this mean Budget unfairly burdens poorer and older Australians is the increase in the co-payment for medications. The lowest income and oldest third of Australians will pay more collectively than the better off two thirds (\$125m vs. \$107m by our calculations). (Most Australians, the 69% who do not have health concession cards, will pay an extra \$5 a script. And even though Concession Card holders will pay less (an extra 80 cents) they have the poorest health status and so receive the vast proportion of scripts: GPs wrote them 16 times more scripts on average than the rest of community and 88% of all PBS prescriptions in 2013)

This is in addition to the extra co-payment to see the doctor and the extra payments for any pathology/imaging tests ordered. For an elderly single woman on a Concession Card, visiting the GP 9 times a year, receiving 80 scripts from the GP and having 10 pathology tests/images, the Budget will require her in total to pay an extra \$194 per year, a not insignificant sum for someone on a pension.

That inevitably means many people will delay seeing a GP, leading to worsening conditions, late diagnoses and more complex, more expensive treatment to address.

There are few Budget measures aimed at a smarter health system. Whilst an increase in research is always welcome, prevention is better than cure and this Budget takes prevention backwards. It will cut key agencies and many prevention budgets, even anti-smoking advertisements (part of an internationally recognised highly successful Australian campaign against tobacco use). Successful prevention would mean less demand on our health services in years to come.

Lastly, the changes to Medicare Locals are an expensive unnecessary tinkering with a new system for the sake of it. The Horvath Review confirmed the value of the overall Medicare Local approach and the Review's recommendations are already being 90% met. If the government wanted to save money, it could have just cut some funding and provided more support and less

micro-management. Tearing down these relatively new organisations and starting all of the process again is both senseless and highly wasteful.

“This Budget is sadly a significant step backwards. There is scant evidence to back most of the moves. Future Australians will pay more for these short-sighted measures, ” said Mr McBride.

** AHCRA is a coalition of some 30 national and state organisations, including those representing the medical profession, nursing, allied health, rural and remote health and consumer groups.*

Contacts

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