



Australian Health Care Reform Alliance

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Government still tunnelling away to undermine universal health care

The Australian Health Care Reform Alliance (AHCRA) is concerned that the Federal Government's repackaged co-payment proposal will hit consumers' pockets just as hard as the original version, and could lead to further 'Americanisation' of Australian health care. Despite reshuffling the cards, the Government's continued search to charge Australians more for their care suggests that it has not abandoned its apparent desire to bury universal health care.

"The changes merely cut GPs' incomes in a variety of ways, inevitably forcing them to pass on the costs to consumers, including those with Concession Cards. This will pave the way for private health insurance to cover GP fees, signalling the death knell of universal health care. Once GP fees are insurable, it will inevitably mean fees will go up even further and soon a two-tier system will emerge. This may mean more readily available care for those with insurance (as in the Medibank Private trial in Queensland and elsewhere this year) but consequently slower and poorer care for those without, typically those on lower incomes, other vulnerable groups and Aboriginal and Torres Strait Islander people", said Tony McBride, Chair of AHCRA.

We need to look no further than Australia's dental system for clear-cut evidence of what a two-tier system looks like: it is mostly private, mostly expensive, and its public element is under-funded and has long waiting periods for limited care. (That is why it is vital that the significant government funding increases for public dental services must not be postponed again in the May Budget.)

AHCRA urges the Government not to take Australia down such a path for primary care services. "We ask the Government to keep in mind some critical principles and facts about Australia's health system."

There is very strong public support for universal health care and Medicare. Public health care is not 'free' – Australians pay for most of it through their taxes. Co-payments are extra fees on top of this.

Australians already pay more out of our own pockets for health care than most other developed nations (currently 18% of national costs). These extra co-payments will risk making us world champions in unfairness.

Research shows that 'price signals' do reduce use of health care - first and foremost among people with chronic conditions. Failing to diagnose and treat many illnesses early means that people get sicker and it costs the health system (i.e. taxpayers) more in the end, especially if they end up in hospital.

The total cost of GP services is less than 7% of the total health budget - a relatively small slice of the pie. International research shows that countries with stronger and more easily accessible primary care systems have better overall health status at lower costs.

And in terms of benefit-cost, investment in prevention and early intervention are always the wise choices.

** AHCRA is a coalition of some 35 national and state organisations, including those representing the medical profession, nursing, allied health, rural and remote health and consumer groups.*

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