



Australian Health Care Reform Alliance

C/- PO Box 280 Deakin West ACT 2600 ABN 64 051 645 674
www.healthreform.org.au

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Health Alliance urges Government to seek savings elsewhere, not co-payment

The Australian Health Care Reform Alliance (AHCRA) backs current warnings about the risks for the Government of negotiating only with the AMA on the \$7 co-payment, said Tony McBride, Chair AHCRA.

“The Federal Government needs to understand the community’s strong reaction against the \$7 co-payment is based not only on affordability, but also because it is an unfair and potentially dangerous move towards a two tier health system. Trying to reshape this proposal by leaving out the vulnerable misses the point. Most people instinctively understand that a two-tier health system mean an unfair system, where those on average to lower incomes will get less, slower and poorer quality health care than the better-off. It will inevitably lead to a lowering of our average health status, which is unacceptably divisive and grates on the core values of even higher income consumers. AHCRA believes the community deeply rejects this.”

So despite the central role of doctors in health care, talking to the AMA alone will not enable the Government to understand the bigger picture. AHCRA urges it to discuss co-payments with the Consumers Health Forum, ACOSS, the Public Health Association and others to be fully informed before finalising its decision.

“You only have to look at the existing dental care system to see a vivid example of a two-tier system. Most dental care is provided privately, and many people find it unaffordable for even emergency care. Even if people have private health insurance, the cover is only partial and their premiums reflect the high costs of dental care in any case. The ugly reality of the current system is that those unable to afford private fees are reliant on a public system. The working poor are excluded from this and even those with Health Care Cards have to endure waiting lists that have been up to 3 years for basic care. It has been deeply unequal. And overall, it has meant that Australia’s oral health status has been one of the lowest for adults in the OECD.”

AHCRA agrees with the AMA that the current model of funding the health system needs refining, but not in ways that divert funding from primary health care services. There is no immediate crisis. Compared to our standard of living as reflected by GDP, health costs are only rising about 1% every 10 years. This needs a set of medium to long-term strategies to address such growth by eliminating wasteful spending. These should include renegotiating poor value contracts on pharmaceuticals, optimising radiology and pathology service use, curtailing low-value clinical interventions, investing in prevention and making primary health care more accessible to intervene early in more cost effective ways. AHCRA urges the Government to establish a body to review health spending to recommend where evidence-based savings can be made. This should represent perspectives not only of doctors and health professionals, but also academics and consumers as citizens.

** 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.*

Contacts

Tony McBride, Chair, 0407 531 468