



Australian Health Care Reform Alliance

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MEDIA RELEASE

12 May 2016

Are we in danger of having a two tier health system?

Whilst the final policy commitments of the political parties are yet to be fully released, the Australian Health Care Reform Alliance is deeply concerned about the lack of commitment of the political parties to the continuation and expansion of universal coverage for health care for all Australians.

The underlying principle of Medicare, which the Alliance supports, is one of universal access to care as needed. Internationally, the evidence is that universal health care improves the quality of life for everyone within the community and has both social and economic benefits.

The ongoing freeze of the Medicare rebate for GP and specialist care is effectively an attack on that principle and the ultimate quality of life for Australians. The impact of the freeze will be a significant cut in average Medicare income for GPs over six years, leading many doctors to reduce bulk billing and increase or introduce co-payments, which will especially impact on below average income families. It will squeeze them to unwillingly do what the Government was unable to persuade the Senate was good policy.

Already there is evidence from the Commonwealth Fund and from the Government's own Australian Bureau of Statistics that financial barriers to access (co-payments) lead to at least 8% of patients indicating they delay or do not seek care when they think they should.

Additionally the Alliance is also deeply concerned about the latest proposals of the Government to replace the current dental plan with one which provides less funding and ignores the success of the previous arrangements. Whilst the current policy settings do not yet guarantee universal coverage to dental care, they are a major improvement on previous schemes. The new Budget proposals would be a step backwards, once again setting the scene for deteriorating dental health for hundreds of thousands of Australians, especially children. The ALP has yet to announce whether it will commit to funding its own previous policy.

The further concern for the Alliance is the potential for more involvement of private health insurance (PHI) in funding of health services. Inevitably, increased PHI, especially in primary care, will lead to further inequitable access to services, which is contrary to the principle of universal access, one that the Alliance believes should underpin our health care system. In addition, if Australians are to be treated fairly in the use of their taxes we believe there should be a gradual reduction in and eventual abolition of the PHI rebate, currently costing us over \$8 billion.

The Alliance welcomes policies that increase the focus on primary care, for example, the proposed Health Care Home trials for consumers with chronic disease. However, ultimately government emphasis should be on ensuring that there is universal coverage to fund timely access to appropriate care irrespective of income, race, culture, and geography.

What we should be hearing from politicians of all persuasions are answers to questions like:

- Do your policies on co-payments for access to GPs, specialists, pathology, radiology, and prescription drugs really deliver affordable access to timely health care, or do your policies favour those who can afford?
- Do your policies on private health insurance involvement in hospital care and primary health care deliver affordable access to timely health care, or do your policies favour those who can afford private health insurance?
- Do your policies on access to dental care deliver affordable access to timely dental care, or do your policies continue to favour those who can afford private health care?

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