



## AUSTRALIAN MEDICAL ASSOCIATION<sup>\*1</sup>

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### Major health issues in Australia

Since my election as AMA President in May 2014, the AMA has been extremely busy shaping the health policy debate in Australia.

The first Budget of the new Coalition Government was also delivered in May 2014, and there has been no shortage of issues for the medical profession to run with in that time.

Here is a summary of the highlights.

### GP Co-payment

In the 2014 Federal Budget, the Government announced plans for a \$7 co-payment for GP, radiology, and pathology services, and a freeze on the indexation of Medicare patients. The AMA immediately announced its opposition to this proposal because it would hurt the most vulnerable patients in the community—the elderly, the chronically ill, children, the poor, and Indigenous Australians.

Over the next six months, the Government tried to sell this proposal to the Australian public and the Parliament, with the AMA being the highest profile opponent of the policy in the community, in the media, and within the medical profession.

In December 2014, the Government altered the policy to promote a \$5 co-payment, maintain the freeze on rebates, and changes to the rules around short consults, a move that infuriated GPs. While the Government appointed a new Health Minister to sell the new package, the AMA labelled the changes worse than the original policy and set about campaigning against them.

In the face of a huge backlash from the profession and the community, led by the AMA, the Government caved in and scrapped its plans for a GP co-payment in any form, with the Prime Minister at the time saying the policy was “dead,

buried, and cremated.”

However, the freeze of the Medicare patient rebate was maintained. The AMA will campaign against this measure in the 2016 election year.

### Ebola outbreak in West Africa

In November 2014, the Australian Government contracted Aspen Medical to provide practical on-ground assistance to the victims of the Ebola Virus outbreak in West Africa. This decision was a direct result of months of high-profile lobbying and advocacy by the AMA. Until then, the Government had been content to contribute funding to aid programs, without making the effort to assist Australian doctors and nurses who wanted to travel to Africa to help.

### Public Hospital Funding

Another bad decision by the Government in the 2014 Federal Budget was to cut a promised \$57 billion over 10 years in Commonwealth funding for the States and Territories to run their public hospitals.

The AMA again ran hard on this issue, which resulted in the former Prime Minister calling a special Leaders’ Summit to discuss long-term planning and responsibility for health and education funding and services. However, this matter has yet to be resolved.

The AMA will again highlight the public hospital funding crisis when it releases its latest Public Hospital Report card in January 2016.

### Medibank Private and Private Health Insurance

Last year, I warned about the potential for the Australian health care system to slide towards a U.S. style managed care system.

We have seen Medibank Private, the largest

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<sup>\*1</sup> This article is based on a presentation made as the Report of Activities by each NMA at the 30th CMAAO General Assembly and 51st Council Meeting, Yangon, Myanmar, on September 23-25, 2015.

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private health insurer, behave in a manner that is inappropriate. It pays amongst the lowest fees in its 'known gap' schedule and has been guilty of pushing 'junk policies' to members. Unlike other funds it has refused to index its 'known gap' schedule since the introduction of the Medicare rebate freeze. It has actively sought to downgrade the policies of its members, including 'cold calling' members and asking them to switch policies to a cheaper policy with more exclusions. More recently it moved to downgrade its basic hospital and standard policies by excluding bariatric surgery and spinal fusion surgery. Essentially these are now only included in the top cover policies.

Other funds, such as NIB, have acted in a similar fashion. NIB has downgraded policies through email notifications leaving a number of patients to discover a lack of coverage at the time when they need it most.

These moves are based on two aims. The first is to reduce premiums particularly in the high cost procedures such as spinal surgery where the implant costs can be high. The second is to reduce out of pocket expenses to patients by doctors, while at the same time tightening the arrangements with providers and increasing the restrictions under which individual doctors practice.

Meanwhile, the funds applied to the Government for significant premium increases from 2016. This caused outrage in the media.

So, following long campaigning by the AMA and community unrest, the Government announced a review of the private health insurance sector in Australia.

### **MBS Review and Primary Health Review**

In order to 'modernise' the Medicare Benefits Schedule (MBS), the Government announced a high-level MBS Review and a Primary Care Review.

While the AMA supports the Reviews, we have made it clear that the exercises must not be simply about cost cutting. The AMA view is that the MBS must reflect modern medical practice, which means that new items should be added to the MBS, just as redundant items could be removed—but only with clinical evidence.

The AMA hosted a Roundtable, which was attended by all the medical specialties and their respective Colleges, Societies, and Associations

to ensure there was unity in the profession.

These Reviews will continue into 2016. The AMA will remain vigilant.

### **Indigenous Health**

The AMA takes its commitment to Close the Gap in Indigenous health outcomes seriously. The Garma Festival held in Arnhem Land each year was an opportunity to engage with Australia's Indigenous leaders and to hear from Indigenous peoples, in their own words, about what is needed to improve the health and lives of the Australia's First people.

One of the most important features of the program was the Key Forum. Held at the Gulkula site, a traditional meeting place high on an escarpment looking out to the Arafura Sea, it seemed a long way from Canberra. However, topics of constitutional recognition and racism towards Indigenous people in our society were among those topics most discussed.

The Aboriginal concept of health centres on social and emotional wellbeing—a concept that applies to anyone. Indigenous people face racism on a daily basis.

The AMA is a supporter of Recognise—the campaign for constitutional recognition of Australia's First People. This is about much more than symbolism. It is an important part of reconciliation and about the value that this nation places on its Indigenous members of the community. While there is bipartisan support for this process, the next step is for Indigenous people to agree on what form the change and subsequently the question for any referendum should take.

Many of the most important legal battles for Aboriginal land rights centre on Arnhem Land and the clans of this region. With a connection to land spanning more than 50,000 years, the existence of local Aboriginal culture and society is directly connected to their land.

There was time to discuss some of the more concrete health issues. I sat with Professor Alan Cass, Dr. Paul Laughton and Senator Nova Peris discussing the high rates of renal failure in the Territory, the role of prevention in chronic kidney disease, the impacts of dialysis on patients and their families along with the need to increase the rate of kidney transplantation.

As most chronic kidney disease is preventable, our discussion again highlighted the need for good primary care, particularly in Indigenous health.