



THE HON SUSSAN LEY MP

Minister for Health
Minister for Sport

STATEMENT

15 JANUARY 2015

Government to consult on Medicare reform

The Government is responding to concerns that have been raised about the new Medicare measure to improve patient care and tackle the problem of 'six minute medicine'.

Changes to Level A and B GP consultation items will be taken off the table and will not commence on Monday 19 January.

As the new Health Minister, I am announcing that I will be undertaking wide ranging consultation on the ground with doctors and the community across the country in order to come up with sensible options to deliver appropriate Medicare reforms.

I want to make it clear that in my consultations I will be guided by the following principles:

- We must protect Medicare for the long term
- We must ensure bulk billing remains for vulnerable and concessional patients
- We must maintain high quality care and treatment for all Australians
- We must insert a price signal of a modest co-payment into the health system for those who have the capacity to pay

I have spoken to key medical groups this morning to inform them of the Government's decision and my commitment to continuing to consult with them and their members.

The Government is committed to encouraging doctors to spend more time with patients where appropriate, whilst ensuring that taxpayers' dollars are effectively targeted.

As the Australian Medical Association and the Labor Party have acknowledged, it is important to shift away from 'six minute medicine' so that appropriate, comprehensive care is better rewarded over patient throughput.

Longer consultation times are associated with better health outcomes for patients. Doing nothing is not an option.

Under the old attendance Medicare Benefits Schedule (MBS) item structure, financial incentives favour shorter consultations, driving some doctors to provide "six-minute medicine" rather than more comprehensive care. For example, the MBS rebate is currently the same for a six minute GP consultation as for a 19 minute consultation.

Medicare expenditure should more accurately reflect the time a GP spends with a patient.

In the last decade, spending on Medicare has more than doubled from \$8 billion in 2004 to \$20 billion today, yet we raise only \$10 billion from the Medicare levy. Spending is projected to climb to \$34 billion in the next decade to 2024.

Medicare will not survive in the long term without changes to make it sustainable.

The Government is committed to making Medicare sustainable for the long term, improving the quality of care for patients and continuing repair of the Budget.

The Government's plan to build a stronger Medicare will ensure that Australians can continue to affordably access world class health care.

ENDS