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**Transcript:** AMA President, Dr Omar Khorshid, doorstep interview with media, Sunday, 6 June 2021

**Subject:** MBS changes from 1 July and comments on quarantine facilities

AMA PRESIDENT, DR OMAR KHORSHID ADDRESSES MEDIA:

OMAR KHORSHID: On the 1st of July, just a few weeks' time, we're going to see the biggest changes to the Medicare Benefits Schedule that we're aware of in the history of Medicare. Over 900 items are changing and this has a significant potential impact on patients. The problem that we're seeing, and the problem that we're calling out today is that Government have only just released these new changes to the schedule in the last week or so, leaving only a few weeks for doctors, health funds and others to determine what their fees are and what the arrangements will be for the future.

Now, the changes to the schedule are quite significant, including very significant cuts to some rebates that patients may expect for their surgery as a result of rule changes within the MBS. But the bigger problem is the chaos that's going to ensue because doctors can't tell patients how much they can expect to receive back from their health fund because they simply don't know. It's not the fund's fault. They haven't had a chance yet to develop their own fee schedules. It's not the doctors' fault because they've just got no information around which to have a conversation with their patients for surgeries that have already been booked post first of July. So our message to patients having orthopaedic surgery, also cardiac and general surgery, is that if you do receive a bill that is not what you're expecting, if your doctor is unable to tell you what your fees are, it's not the doctor's fault. It's not the health funds fault on this occasion, it's the Government's fault.

The AMA has been very frustrated with the Government's inaction on this. We've called it out since 2018 when a similar thing occurred with the spinal surgery, a much smaller set of changes, but it still caused chaos amongst those patients having spine surgery when the changes were announced. This is a much, much bigger change with over 400,000 item numbers being used in orthopaedic surgery alone in any calendar year.

The Government have been warned. The AMA has written to the Government on a number of occasions. We have even proposed a statement of principles about how these changes should be implemented. The AMA has been supportive of the MBS review changes, thinking it's good to make our schedule fit for purpose for the future. But we feel very let down when the implementation is so poorly handled. It's almost seemed like willful incompetence on behalf of Government, given that they've been warned so clearly, even to the extent of the AMA, the private hospitals and the insurers writing to the Minister earlier this year saying, please, delay this implementation so we can get it right so patients are not inconvenienced.

The patients affected the worst by the changes on 1 July are in certain areas, and the prime example is a hip arthroscopy. That's a telescope inserted into the hip joint to treat a condition called FAI, a common condition of the hip affecting young Australians, in particular those playing sport. Now, the MBS has really short-changed these patients for a number of years now, with changes a few years ago that affected doctors' ability to provide this surgery. But they've been able to keep doing it through a creative use of the MBS schedule. As of 1 July, those stopgap measures that they put in are no longer possible. So patients needing that surgery are now left in limbo with the potential for thousands of dollars of out-of-pocket costs and no clear way forward. The sad thing is this was completely avoidable and the AMA was very disappointed in the Government's handling of this issue.

QUESTION: Doctor, can you run through some more ways in which Australians will be affected and some other changes - maybe the nuts and bolts of the change in what the actual detail is that is changing the MBS?

OMAR KHORSHID: So the changes to the MBS are enormous. There's over 900 new items or changed items amongst the five and a half thousand MBS items that exist. Some of the changes are around rules, changing the way that doctors use the items, not allowing doctors to use multiple items to describe one operation. So for surgeons who have been using the MBS, they have to decide what to do. Do they accept a lower rebate on behalf of their patient and keep their fees the same? Or do they increase the fee that the patient can expect to pay, increase that gap because they want to keep their fees around the same as they were before? Now, doctors have to make those decisions, but you can only make them when you've got the information in front of you. And unfortunately, that information right now is simply not available and may not be. Even worse, the rules and the descriptions around how to use the of numbers haven't even been released yet. So doctors are expected to use those items from the 1 July, but the instruction manual doesn't exist as yet. Quite bizarre.

QUESTION: Do you think that these changes will render some procedures unaffordable for patients, and so they just won't be treated?

OMAR KHORSHID: In the case of hip arthroscopy, and there may be a couple of other types of surgery in orthopaedics, the gaps are likely to be very substantial and may make this surgery out of reach for Australians who are doing the right thing. They're paying for their private health insurance. They're wanting to look after their own health, but unfortunately, due to mismanagement of MBS, these surgeries become out of reach.

QUESTION: What are some of the changes in cost there? You mentioned hip arthroscopy, other sort of procedures. What are the potential dollar figures on some of these changes and rebates?

OMAR KHORSHID: It depends on the operation as to how big the changes will be. There are some where a number of items have previously been used, that's gone down to one item. And it really depends on what the fees come back from the health funds. We don't actually have the information, but we can expect that many patients could face hundreds of dollars of out-of-pocket costs for those common procedures. For the extreme examples like hip arthroscopy, we expect out of pocket cost in the order of a couple of thousand dollars could be quite normal and potentially even more for some patients. And that really puts these really life changing operations out of patients reach. And that's not good enough.

QUESTION: Obviously, the Government's done this because they believe the scheme needs change. Would you have preferred change in other areas? And what would you did they consult with you guys? Did you offer up solutions that they've ignored?

OMAR KHORSHID: So, the AMA has agreed to engage with Government on the MBS reviews right from the start in 2015. And we've done our best to make sure that this process has delivered a good result. We're now seeing the results come out into the schedule and it's really about implementation that the biggest problems have occurred. There are some cuts that we don't necessarily agree with. The process certainly had problems, and the main one being that those doctors involved in the process had to be individual doctors, they weren't

allowed to represent a group or a number of other doctors, meaning they couldn't talk to people about the changes. And that makes it much more likely that you make mistakes. And we've already identified a few small but significant mistakes that will need to be corrected in coming months.

QUESTION: Do you believe that these changes are reckless? Are you concerned about the fallout, for example, people not getting common but necessary procedures because it's simply just too expensive?

OMAR KHORSHID: The main problem that we see is the patients are going to feel let down by their doctors and by their funds when it's really not their fault. If they've booked an operation for the 1 July, expecting a certain experience, might be a 'no-gap' experience, might be a small out-of-pocket costs experience, and then that changes. They're going to feel very upset and they will be pointing the finger at their doctor or their health fund, neither of whom really could avoid it given this situation. That's the most frustrating thing here.

QUESTION: Do you think this will place the private system in sort of chaos. You know what doctors say about this?

OMAR KHORSHID: Some doctors aren't even fully aware of the changes yet because they haven't had to use them. So we are anticipating significant chaos when it comes to fees. A lot of insurance systems like the workers' compensation insurance systems used the AMA schedule of fees to set their fees. We don't have an AMA schedule yet. We're not likely to have it until after September. So what are the workers' compensation insurers going to do for the next three months? We don't know. There are no answers to those questions. And that equals chaos for patients and for doctors alike.

QUESTION: With the lack of knowledge, do you know or have an idea when you might be getting this information that would give you a better insight into costs and changes and things like that?

OMAR KHORSHID: So we have the gazetted fees that have been through the Parliament and came out at the very end of May. We don't yet have the further information the doctors will need to determine which items to use. And we expect that will come at the latest by the 1 July, but that's simply too late. The health funds have promised that they will do their best to get their fees out. They've clearly got to do so before the 1 July. But that gives doctors really minimal time, especially because those patients have already been booked for their surgery. They've already had informed financial consent conversations without the doctor knowing what the rebates actually are. That's really the problem here, that there's just not enough time. And if they'd just given us an extra few months of implementation time, we wouldn't be facing this situation. That's the call that the AMA, the private health insurers and the hospitals made to Minister Hunt in January. And unfortunately, that call's been ignored.

QUESTION: What's your message to the Government today then?

OMAR KHORSHID: Our message to Government is you've got to do better. We, in good faith, agree to participate in the MBS reviews. The process has occurred often to the detriment of doctors. The outcomes will reduce doctors' incomes. But we're willing to work with that because it's a new modern schedule. But please don't let us down when it comes to

implementation. It is pretty simple to give all the players enough time to cope with the huge amount of change. It doesn't undermine the MBS schedule at all. It doesn't change the financial outcomes, doesn't change the Government's spending on health. It's just paying respect to the industry, to the hospitals, the doctors, insurers and, of course, patients who rely on this information for us to be able to run this private health system.

QUESTION: How would you describe these changes, say, in three words?

OMAR KHORSHID: We are seeing the biggest changes to the MBS ever with only a few weeks' notice and not enough information for doctors to be able to use those numbers properly.

QUESTION: Just on COVID, New South Wales now has joined other states in calling on the Commonwealth to establish a purpose-built quarantine facility in its state. Is it time for the Federal Government to consider a network of these hubs?

OMAR KHORSHID: The AMA has been calling for some time now for governments to investigate and build new quarantine facilities. The reality is that our hotels are not fit for purpose. The virus is getting trickier and trickier to deal with, more and more transmissible, and the need is growing, not shrinking. So it is time for all our state governments to work with the Federal Government and develop alternatives to hotel quarantine so we can put those highest risk people - those coming from high risk jurisdictions or those who've tested positive for the virus - into a situation where they're not going to give the virus to anybody else and it's not going to get out into our community.

QUESTION: Do you think it should be mandatory for aged care and disability care workers to be vaccinated for COVID-19? And if not, how do we encourage more workers to get the jab?

OMAR KHORSHID: The AMA is supportive of mandatory vaccinations for aged care workers for a couple of reasons. One, we actually haven't got them vaccinated. So the message has been out there. You're in Phase 1a, go and get vaccinated. It didn't work. We've got under 10 per cent fully vaccinated this far into the rollout. That's not good enough. So we need to change approach. The aged care residents are the most vulnerable in our community, and there is a duty of care of everyone who works in that sector to do what they can to minimise the chance of anyone in aged care contracting COVID-19, and the only way you can do that is to get vaccinated. So AMA supports mandatory vaccination for all aged care workers and that should be brought in within the next one to two months.

QUESTION: It's been revealed that aged care workers don't actually have to declare whether or not they've been vaccinated, so should that change so that the statistics can be more accurate?

OMAR KHORSHID: The Government, unfortunately, has no idea how many aged care workers have been vaccinated, and that certainly needs to change. They have asked for aged care facilities to report. But what we're really going to need is access to the Government's new app so that individual Australians can prove they've been vaccinated, so they can show it on their phone, they can show it to their employer and the employer can do the right thing and log that vaccination. If it wasn't done within the home.

QUESTION: Just on WA, you know, this week we've seen more sort of instances of the problems plaguing WA's health system, this time with elective surgery delays. Is it the result of maybe a post-COVID health hangover or is this just an excuse from the state government?

OMAR KHORSHID: We are seeing an increase in demand for health care right across the country. It's- we're seeing ambulance ramping in every state and territory. We're seeing busy elective surgery lists in public hospitals. And even our private hospitals are full of people receiving high quality health care. So there is an increase in demand. But that's no excuse for the WA government who has been squeezing the funding of our public hospital system for its entire duration in office and crowing about the success of keeping the lid on health expenditure. But of course, the cost of that is that the system is now overrun, it's stressed and it's unable to deliver the health care that Western Australians need. So it's time now for the WA governments to put their hand in their pocket, make the necessary investments, not stopgap measures, not short term solutions, but invest in the capacity of the health system so that they can keep delivering for West Australians.

QUESTION: Can we just go back to the purpose-built hotel quarantine. Here in WA, locally, how desperate do we need one here?

OMAR KHORSHID: We need hotel quarantine facilities to be only there for the lowest risk patients. We need alternatives, such as what we have in Howard Springs, in every state and territory that's receiving flights. So Western Australia being a significant site for Australians returning or people from overseas coming to Australia, we certainly need access to a facility that allows us to look after their needs, to treat them with respect, but also to protect our community from COVID.

QUESTION: Do you think if we don't get a facility like this, are we going to see further lockdowns in Western Australia do you believe?

OMAR KHORSHID: It is inevitable that we will see further escape from hotel quarantine and resultant lockdowns unless something changes. This virus has proven that even the best facilities are not good enough to stop the virus getting out. And so we need to do something different. And the only facility I'm aware of that has a structurally different set up is Howard Springs, and that's the model I think, that we're all looking to for the future.

QUESTION: Obviously, in Victoria, they're putting forward- I think They've entered in a memorandum of understanding to build a site either at Avalon Airport or elsewhere. Is it on the state government to take the lead like Victoria's Government did as well, and petition the Federal Government for a solution in WA?

OMAR KHORSHID: Yeah. We know that the Federal Government isn't great at service delivery, building things, making things on the ground. That's where our state governments excel. And I would certainly call on our state government here in Western Australia to work constructively with the Federal Government to come up with solutions. Rather than just demanding that the Commonwealth fix things, that they actually work together. They find the sites, they organise the staffing and the running of them, and the

Commonwealth can put his hand in the pocket and come up with the money. But the state's got to run these things. Otherwise we know they're just not going to work.

QUESTION: The other thing I was going to ask is, obviously, if we have widespread uptake of the vaccine, once more supply becomes available, some of these facilities take a while to build. It's public money that needs to go through business cases, things like that. By the time these facilities are constructed is the worst the pandemic can be behind us. Are we going to have widespread vaccination, and will there be a need for such a facility?

OMAR KHORSHID: We anticipate there will be ongoing need for quarantine facilities, but we don't know exactly what that's going to look like. It could, for instance, be that only high-risk people go through a quarantine or only people who test positive for the virus on a rapid PCR test before they get on the plane or when they get off the plane in Australia. But in some way, shape or form, we are going to need quarantine facilities and this isn't going to be our last pandemic. The suggestions are that this is the future for the world. With an increasing population, with people being squashed together, we're going to see more and more viruses, more and more mutations of existing viruses as well as new viruses. And we need to be ready for the next pandemic.

QUESTION: Thanks doctor. Thank you very much.

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