

Transcript: AMA President, Professor Stephen Robson, presser at Parliament House, Friday, 31 March 2023

Subject: Launch of AMA Budget submission, general practice chapter & AMA analysis of Medicare freeze impact

AMA PRESIDENT, PROFESSOR STEVE ROBSON: I'm here this morning to launch the AMA's General Practice component of our Budget submission ahead of the Australian Federal Budget of May this year.

Current encumbered government has inherited a terrible situation. Over successive governments before this one, there was a Medicare freeze that lasted almost a decade. Since the freeze was lifted, the indexation, increases in the rates of rebates patients receive from the MBS has increased at a snail's pace and that's left us in a situation where the rebates available for patients no longer reflect the cost of providing that care.

We estimate since the beginning of the MBS freeze, close to \$4 billion of funding has been lost from general practice around the country, and that's funding that goes to Australian patients who are seeing doctors. The result of the \$4 billion cut to funding that the government has inherited is a situation where Australia's most vulnerable patients have trouble affording and accessing general practice.

We know that general practice is the most efficient part of the healthcare system in Australia. Every other component is more costly as a greater economic effect, so it makes sense to reinvest the money that was taken out of general practice into general practice.

The Premiers and Chief Ministers around the country understand and get this because they know that when vulnerable Australians with chronic health problems for example can't get the general practice that they need. They will have no other option than to go to Australia's public hospitals. That's thrown Australia's public hospitals into a logjam and led to enormous backlogs in care, in ramping, and problems in emergency department access.

The AMA has come up with a series of costed proposals to deal with this in ways that we can reinvest this \$4 billion that's been stripped out of general practice funding. We're looking at making general practice more affordable in aged care and more accessible in aged care.

We're looking at general practice being available and funded later in the day out of hours for Australians who can't access it during the day. And we've also put together proposals on chronic wound care where modest investments by the government will have an enormous economic benefit that will pay off. We've put these proposals to the government and we're looking for the government to do the right thing and reinvest the money that's been stripped out by previous governments in the May Budget.

I'm very happy to take some questions.

QUESTION: Mr. Robson, with your discussion with the government, are you optimistic about how their response has gone in terms of if it's going to be looked at in the May Budget?

STEVE ROBSON: We've put these materials to the government and I've spoken to the Health Minister myself about these proposals. We're very optimistic because we know that that the Health Minister has said that the crisis in general practice is one of the most important crises facing the country. And we're hoping the Health Minister will deal and live up to his own words and provide the funding that's needed by Australians.

QUESTION: Professor Robson, how much will this add to the cost of living pressures for Australians?

STEVE ROBSON: Add to?

QUESTION: Well, yeah, how much is- at the way the rebate stands?

STEVE ROBSON: Sure. Okay. We know that at the moment that out-of-pocket costs for healthcare in general practice in the country are a major, major burden on all Australians and are adding significantly to cost of living pressures. In fact, we've seen reports from the Productivity Commission and elsewhere that Australians are under so much pressure on the cost of living, they're skipping healthcare appointments, skipping doctor visits, skipping buying medication. We think that investment in general practice and in other measures related to general practice will give significant relief to these cost-of-living pressures for vulnerable Australians.

QUESTION: Professor Robson, just on where we stand on the potential minimum wage increase that could in today, given that that would have a flow on effect with passing more costs onto the consumers for GPs?

STEVE ROBSON: Yeah, we understand that the wage case is going before the relevant bodies. We certainly think that we need to make whatever adjustments are needed so that Australians can afford the healthcare they need, whether it's medications they have to buy, or accessing doctor and other healthcare visits. So we support action on cost of living pressures. Thank you very much everybody.

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