



Monday, 3 April 2023

## University of Sydney research puts the kybosh on Medicare fraud claims

Analysis released today by the University of Sydney puts to bed media claims that \$8 billion is being rorted from Medicare, instead finding underbilling is saving the health system more than \$350 million dollars in just one year.

The analysis found GPs were significantly more likely to undercharge than overcharge Medicare for their services, and the amount GPs overcharged “was dwarfed by the magnitude at which GPs undercharged”.

AMA President Professor Steve Robson said the research confirmed previous advice from the Department of Health and Aged Care (released last year) that found no evidence to support the media claims.

“This really demonstrates that not only are GPs working with extreme underfunding, the significant fear of compliance and the confusion around our overly complex Medicare system means they actually undercharge the MBS,” Professor Robson said.

“When you combine this result with the [AMA analysis of the impact of the Medicare freeze](#) and a poor indexation methodology outlined in AMA’s [Why Medicare indexation matters](#) report, more than \$6 billion dollars would be stripped out general practice over the forward estimates.

“General practice is under-funded, under-indexed, and under-valued, and at the end of the day it is the patient that wears the impact, as they are not able to access the care they need, when they need it.

“We have seen increased out-of-pocket costs for patients, a steady decline in bulk-billing, and some practices being forced to close their doors due to financial pressures. When added to the fictitious claims of \$8 billion in fraud, it is no surprise that medical students are no longer seeing general practice as a viable career option.”

Professor Robson said the current government had inherited a huge issue with the underfunding of general practice by previous governments, but it is now their responsibility to act and ensure all Australians have access to high-quality medical care.

“The upcoming budget in May presents an opportunity for the government to rectify this issue.

“Last week we launched our budget submission on general practice, which outlines targeted, implementable and costed initiatives that could be implemented now to improve general practice viability and modernise Medicare — initiatives like supporting GPs to spend longer with patients, including after hours, deliver wound care, and deliver care in aged care facilities.

“The AMA would also like to see targeted investment in Medicare to improve access to GPs for our most vulnerable communities, as they are the ones that are being impacted the most from this. General practice is tired of being the scapegoat and tired of being the savings bank — it’s time to support and properly fund general practice.”

### Combined impact of under-indexing, under-funding and under-paying GPs

	2023–24	2024–25	2025–26	2026–27	Total
Saving from poor indexation of Medicare (\$m)	153	324	514	725	1,716
Saving from Medicare freeze (\$m)	692	723	756	790	2,961
Saving from GPs undercharging (\$m)	366	373	381	388	1,508
<b>Net saving to government (\$m)</b>	<b>1,211</b>	<b>1,420</b>	<b>1,651</b>	<b>1,903</b>	<b>6,185</b>

[Read the AMA's Why Medicare indexation matters report](#), which outlines the saving from under-indexing Medicare

[Read the AMA analysis of the impact of the Medicare freeze](#), which outlines the saving from under-funding Medicare

[Read the University of Sydney media release and report](#), which outlines the saving from under-paying GPs (the AMA analysis applies 2 per cent growth annually to the 2021–22 University of Sydney figure)

[Read the AMA's budget submission on general practice](#)

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