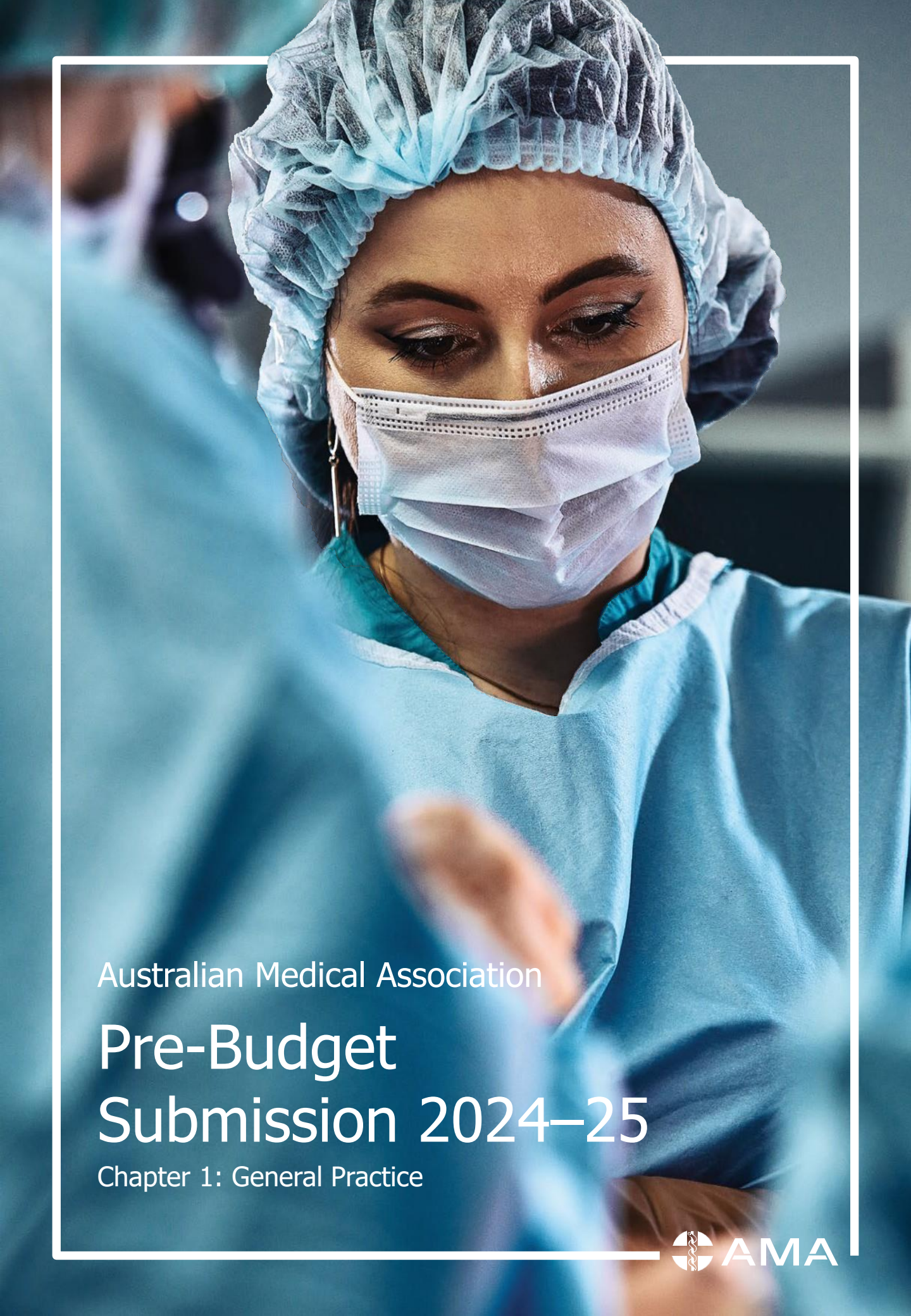

Australian Medical Association

Pre-Budget Submission 2024–25

Chapter 1: General Practice

AMA

CHAPTER 1: GENERAL PRACTICE

Problem statement

Primary healthcare is the front line of the healthcare system and usually the first level of contact with the national healthcare system. It is scientifically sound, universally accessible, and constitutes the basis for a continuing healthcare process — providing the right care, at the right time, in the right place.

General practice is the cornerstone of successful primary healthcare, underpinning population health outcomes and is key to ensuring we have a high-quality, equitable, and sustainable health system. National and international research shows that a well-funded and resourced general practice sector is pivotal for success of primary healthcare, improving the health outcomes of individuals and communities.[1,2] It also shows that it can create significant savings through better care, greater efficiency, and reducing the burden on other more expensive parts of the health system.[3,4,5]

The continued undersubscription of general practitioner training places in the Australian General Practice Training (AGPT) program is increasingly concerning for the future of Australia's general practitioner workforce. AMA analysis projected that general practice will be undersupplied by 10,600 general practitioner full time equivalents (FTE) over the next decade if strategies are not implemented to attract and retain general practitioners (see AMA report *The general practitioner workforce: why the neglect must end*).[6] The key reason for this shortage is that general practice is no longer seen as a financially attractive career for many doctors, in part because there is disparity in remuneration and workplace entitlements between general practitioner registrars and their hospital-based counterparts.[7]

Policy proposals

Continued implementation of and funding for the Strengthening Medicare Taskforce recommendations

The 2023–24 federal budget contained significant investment in general practice as a result of AMA advocacy, including:

- tripling of the bulk-billing incentives
- longer consultation items
- voluntary patient enrolment (MyMedicare)
- additional indexation to the Medicare Benefits Schedule (MBS)
- additional funding to support general practice care for frequent hospital users
- a wound care scheme for general practice
- a new aged care incentive payment
- an increase to the workforce incentive program and the introduction of indexation.

Read the detailed announcements here.

The AMA is working with government on the implementation of these reforms and the establishment of MyMedicare. It is the AMA's position that these announcements were an initial investment, and that significant further funding will be needed to ensure the success of these reforms. As these reforms are still being developed and implemented, the AMA has not yet undertaken detailed costings on what further funding is needed.

It is important to note that access to general practice remains a key issue. Workforce shortages and the increasing cost of delivering high-quality care has resulted in many general practices struggling to remain viable.[8,9] Additionally, the rising cost of living renders healthcare less affordable for many Australians. The AMA has been advocating for increased Medicare funding, as the MBS no longer bears any relationship to the actual cost of providing services to patients (see AMA report *Why Medicare indexation matters* and *AMA analysis of Medicare indexation freeze*). Additionally, the AMA is currently undertaking a project to redesign the general practice consultation items, as the current consultation item structure is no longer fit-for-purpose. The outcomes from this project will be published over the coming months and will contribute to the Commonwealth Government's planned reforms to MBS items.

Additionally, the AMA would like to see government continue to implement and appropriately fund the Strengthening Medicare Taskforce recommendations and will work with government to ensure this important work is continued.

The AMA also looks forward to working with government on implementing the Strengthening Medicare measures to reduce pressure on public hospitals, announced by National Cabinet in December 2023.

The remaining policy proposals outlined in this chapter aim to improve access to general practice by encouraging more doctors to become general practitioners, and to improve the collection of data to inform research and policy making.

Improving access to general practice by encouraging more doctors to become general practitioners

Overview

After years of AMA advocacy, the Commonwealth Government has recognised the need to address the inferior pay and conditions of GP trainees, investing in single-employer model trials, with an additional $4.5 million for 10 trials and evaluation announced in the 2023–24 federal budget.[12]

While the announcement of these recent models was welcomed, the current workforce shortages and access issues are critical and must be addressed, and therefore reforms to general practitioner trainee employment conditions must be sector-wide. This will act as a lever to encourage more doctors to choose a career in general practice, as they will no longer need to face the prospect of a large reduction in pay and conditions when leaving the hospital system, and reduced access to entitlements during their training.

Risks and implementation

Reforms must not be done in a piecemeal way, however the current approach with state/territory and federal initiatives is uncoordinated. A comprehensive solution is required that deals with pay as well as the continuity of leave entitlements. Critical to the success of any scheme is the need to ensure that support and funding for training practices and general practitioner supervisors is not diminished in any way and, indeed, strengthened over time.

Risks of not taking action

The accessibility of general practice should be one of the key priorities for governments, as general practitioners play an integral role in preventing, diagnosing, and managing diverse medical conditions. The predicted shortages of general practitioners is a significant issue that will take years to address if nothing is done now to stem the crisis. If nothing is done now, patients will increasingly find it challenging to access care through their general practice, which will have an impact on health outcomes and increase the burden on emergency departments which are more expensive and are already operating at capacity.

Timeframe and costing

The AMA has estimated the cost of reforming employment conditions for general practitioner trainees to match their hospital-based counterparts to be $180.75 million over the forward estimates. This costing covers rates of pay as well as parental, long service leave, and study/examination leave entitlements. Additionally, this costing is based on the number of AGPT program trainees as an indicative estimate, noting that there are other pathways to fellowship and trainees on these pathways would also benefit from such reforms.

Table 1: Estimated cost of reforming employment conditions for general practitioner trainees

	2024–25	2025–26	2026–27	2027–28	Total
Salary boost ($m)	13.40	20.80	22.40	22.96	79.56
Parental, long-service leave, study/examination leave ($m)	18.10	27.00	27.70	28.39	101.19
Total cost to government ($m)	**31.50**	**47.80**	**50.10**	**51.35**	**180.75**

Funding for general practice data collection and analysis

Overview

High-quality general practice data plays a pivotal role in advancing both clinical care and service delivery at a practice level while also serving as a critical foundation for shaping primary care policy. For general practices, accurate and comprehensive general practice data is indispensable for healthcare providers to make informed decisions about patient treatment, diagnosis, and preventative care, particularly with the establishment of MyMedicare. Additionally, general practice data can streamline operational processes, enhance resource allocation, and optimise appointment scheduling, ultimately leading to a more efficient and patient-centred healthcare experience. High-quality general practice data also enables policymakers to identify trends, allocate resources effectively, and design evidence-based strategies for enhancing the entire healthcare system.

The Bettering the Evaluation and Care of Health (BEACH) data is a dataset that analyses general practitioner and patient interactions, particularly in terms of indications and patient management. This unique data source has been crucial for research on general practitioner management of specific health issues, as well as for market analysis to inform pricing and strategy. The program has supported numerous academic publications, grant applications, and provided data to various sectors, including industry, government, and non-profit organisations. It has also aided in health system planning, policy development, educational material creation, and helps in making marketing and pricing decisions.[13]

Despite its effectiveness, the Commonwealth Government ceased funding for BEACH in 2016, and while there was commitment to "develop a more contemporary means of accessing general practice and primary health care research and data, to guide decision making and policy development," this has yet to materialise as an effective replacement for BEACH.[14]

Risks and implementation

Financial and structural support will need to be provided to general practices and general practitioners to support the translation of data into improved service delivery. Collection of data must leverage existing clinical management systems to ensure that general practitioners involved in the project are not burdened with additional administration. Additionally, analysis of the strengths and weaknesses of the BEACH data project should be performed so learnings can be applied to this new research and data project. There should also be adequate and long-term funding and resource allocation, along with a strong commitment to data privacy and ethics.

Risks of not taking action

The BEACH dataset is outdated, however many studies still rely on this dataset as there is no alternative. Researchers, policymakers, and industry stakeholders are therefore lacking contemporary insights into general practice, patient-based risk factors, and the effects of health service activity. This has a significant impact on policy development, program design, and ultimately the delivery of evidence-based healthcare services.

Timeframe and costing

The BEACH total budget was reported to be $1.3 million in 2007, of which 23 per cent was funded by the Commonwealth Government. Additionally, the original BEACH dataset was on a sample of 1,000 general practitioners, around 1.5 per cent of general practitioners in 2007.[15] Using this as a baseline, the AMA estimates that establishing a similar research and data collection project today would cost $18.05 million over the forward estimates. It should be noted that BEACH was able to secure funding from other sources, a model that could again be replicated, potentially bringing down the Commonwealth's contribution.

Table 2: Estimated cost of funding for general practice research and data

	2024–25	2025–26	2026–27	2027–28	Total
Total Doctors	141,712	145,645	149,579	153,513	
Sample size	2,109	2,167	2,226	2,284	
Total cost ($m)	4.17	4.39	4.62	4.86	18.05
Total cost to government ($m)	**4.17**	**4.39**	**4.62**	**4.86**	**18.05**

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AUSTRALIAN MEDICAL ASSOCIATION
T | 61 2 6270 5400 **F** | 61 2 6270 5499 **E** | info@ama.com.au
39 Brisbane Avenue Barton ACT 2600 | PO Box 6090, Kingston ACT 2604
www.ama.com.au