

MEDIA RELEASE

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Out-of-date Medicare at critical point: reform needed to meet today's needs

The Australian Medical Association today launched its Modernise Medicare campaign, calling for reform to an out-of-date Medicare system to ensure Australian patients can get the care they need from their GP.

AMA President Dr Danielle McMullen said Medicare — the bedrock of Australia's healthcare system — was stuck in the 1980s and no longer met the needs of today's patients.

"Medicare was revolutionary when it was introduced in the 1980s, but with our ageing population and growing chronic disease rates, GP consultation items have become out-of-date," Dr McMullen said.

"The GP consultation item structure has failed to keep up with the growing complexity of care that patients need; and is biased towards shorter consultations at a time when patients need to spend longer with their GPs. The value of general practice care has also been systematically devalued through decades of inadequate indexation and the prolonged Medicare freeze.

"We are facing a critical juncture — a point of no return. In its 2023–24 budget the federal government made a significant investment in general practice, but the government has recognised that this initial investment needed to be backed by further funding and reform.

"Without reform to Medicare that will ensure it can continue to deliver for patients, the funding gulf will continue to grow to the point no future government will be able to tackle it."

Dr McMullen said a system that supports patients to spend more time with their GP, will help to keep patients out of Australia's logjammed hospitals.

"Appropriately funding and resourcing general practice is pivotal to improving the health outcomes of patients. It creates significant savings by reducing the burden on other more expensive parts of the health system.

"Our policy — developed following consultation with our members — proposes a new 7-tier standard consultation item structure that will support patients to spend more time with their doctor by significantly increasing funding for the longer consults that today's patients need."

The AMA's campaign is also calling on the government to tackle workforce challenges and encourage a more multi-disciplinary approach to general practice healthcare where healthcare teams work together, under one roof.

"The failure to invest in Australia's GP workforce has left general practice in a situation where it is struggling to keep up with community need and we need meaningful policy changes to turn this situation around and ensure patients can access the care they need," Dr McMullen said.

The AMA is proposing an extra 500 training rotations in general practice for early career doctors as well as an additional 500 GP training places as part of efforts to address the AMA's predicted shortfall of 10,600 GPs by 2031–32.

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“To make sure we fill these extra training places we also need to fix the inequality in pay and leave entitlements for GP trainees compared to their hospital counterparts. While we’ve been encouraged to see trials of single employer models to address this inequity; we need to apply this model nationally to help encourage people into general practice.

“Addressing these employment condition inequities and adding a further 500 GP training places will go a long way to increasing the number of GPs and improving access for Australian patients.

“We would also like to see the government provide more funding to support the employment of more nurses and allied health professionals in general practice. This will improve the capacity of general practice to provide the care that patients need within a well-coordinated GP-led model of care crucial to delivering improved patient outcomes.”

Find out more about the campaign and read our detailed budget submission on the [Modernise Medicare website](#)

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