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BUDGET CONFIRMS HEALTH POLICY VACUUM

The AMA tonight condemned the extension of the freeze of the Medicare patient rebate until 2020 – a saving to the Government of almost \$1 billion.

AMA President, Professor Brian Owler, said the 2016-17 Health Budget continues the Government's stranglehold on Australia's Medicare system by taking \$1 billion out of the pockets of Australian patients and household budgets by extending the Medicare rebate freeze.

"The poorest, the sickest and the most vulnerable will be the hardest hit," Professor Owler said.

Professor Owler said patients will be further disadvantaged by an extension of the pause in the indexation of the Medicare Levy Surcharge and the Private Health Insurance Rebate thresholds – saving the Government a further \$370.9 million.

"These measures will be another hit to household budgets, and represent extra disincentives to people accessing health care when they need it.

"The AMA notes that there is inadequate funding for the Health Care Home trials, an important initiative to tackle chronic disease.

"We also have concerns about cuts to Flexible Funds, which will effect important programs in the community.

"This means that the people in the community most in need of support will be paying for the Government's 'Budget repair'.

"There are also significant cuts to the aged care sector which require closer examination."

Professor Owler said that there are some positives in the Budget, but they are overshadowed by the cuts.

"The AMA welcomes confirmation of the almost \$2.9 billion in COAG funding for public hospitals, but we see this as a down-payment only.

"The States and Territories will need significant extra funding if they are to build hospital capacity to meet growing demand.

"We also welcome the increase in the tobacco tax, new funding for FASD programs, and continuation of the Health Star scheme."

The AMA will closely examine the totality of the Health Budget and health initiatives from other portfolios and comment later accordingly.

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