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**PUBLIC HOSPITAL FUNDING, MEDICAL TRAINING, AND LIFTING
 THE MEDICARE REBATE FREEZE – A POSITIVE AGENDA FOR
 HEALTH MINISTERS**

AMA President, Professor Brian Owler, is urging the Federal, State, and Territory Health Ministers to collaboratively plan for the long-term challenges that face the Australian health system when they gather for the COAG Health Council meeting in Adelaide today.

Professor Owler said that the Health Ministers must robustly debate the need for increased public hospital funding, initiate responsible reform of medical intern training, establish a coordinated plan for medical training places, and the States must put pressure on the Federal Government to immediately lift the freeze on the Medicare patient rebate.

“The States and Territories are facing a public hospital crisis from 2017, when Federal funding cuts kick in,” Professor Owler said.

“The public hospital system is already struggling to meet the clinical demands being placed on it, and the situation will only get worse as real Federal funding reduces dramatically.

“The Federal Government cut \$1.8 billion in the 2014-15 Budget by ceasing funding guarantees under the *National Health Reform Agreement*.

“There was a further \$941 million funding reduction to the States in the Mid-Year Economic and Fiscal Outlook (MYEFO) in December 2014.

“On top of this, the Federal Government scrapped the National Partnership Agreement funding to the States, which rewarded performance in meeting waiting time targets for emergency departments and elective surgery.

“The enormity of the ongoing cuts was starkly highlighted when the Treasury advised the Senate Economics Committee that Commonwealth funding for public hospitals from 2017-18 to 2024-25 would be reduced by \$57 billion.

“Public hospital funding will be the biggest single challenge facing State and Territory finances for the foreseeable future.

“Public hospitals and their staff will be placed under enormous stress and pressure, and patients will be forced to wait longer for their treatment and care.

“The States and Territories must demand a better deal for their public hospitals, the hardworking doctors, nurses, and other staff, and the patients who rely on the vital health services,” Professor Owler said.

Today’s meeting will consider the outcomes of the Health Council’s National Review of Medical Intern Training.

Professor Owler said the Review is considering a range of options to reform intern training, from incremental change to more radical proposals such as a two-year prevocational training program, or transferring the intern year into the last year of medical school.

“The AMA warns against radical changes to the internship because the current model has served Australia very well,” Professor Owler said.

“It gives new medical graduates a well-rounded, generalist, supervised, and protected introduction to medicine, which enables junior doctors to develop their medical skills and professionalism.

“The Health Ministers need to take a cautious approach to any reform of the intern year, and reject ideas for sweeping changes

“We need to build on what works, focusing on improvements to supervision and assessment processes, and expanding the prevocational experience in non-traditional settings, such as the community and private settings, where there is evidence that these changes produce results.

“The Council must also look at the broader issues around medical training.

“We have seen dramatic increases in the number of students graduating from medical schools, but medical training does not end with the completion of a medical degree.

“These graduates undertake many more years of medical training in our hospitals, general practice, and other community settings, and Governments need to ensure that there are sufficient numbers of intern, pre-vocational, and specialist training places available for these graduates.

“The former Health Workforce Australia predicted a national shortfall of 569 first-year advanced specialist training places by 2018, rising to 689 places in 2024, and rising further to 1,011 places in 2030.

“More recent projections suggest that South Australia will fail to meet its COAG commitment to provide enough intern places for local domestic graduates from 2017 onwards.

“If our governments do not fund the required numbers of training places, we will see growing training bottlenecks, and the community will not have access to the medical care that it needs.

“The AMA is calling on all Health Ministers to reaffirm past COAG commitments, and agree to work more closely together in the funding, planning, and coordination of medical training places.”

Professor Owler said it was also in the best interests of the State and Territory Health Ministers to put pressure on the Federal Government to lift the freeze on the Medicare patient rebates to avoid future stress on their public hospitals from patients finding it harder to cover their medical costs.

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