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**FAREWELL FREEZE – GOVERNMENT WINS BACK GOODWILL
 WITH POSITIVE HEALTH MEASURES**

AMA President, Dr Michael Gannon, said tonight that the Government has begun to win back much of the goodwill it lost with the disastrous 2014 Health Budget with the announcement of a number of positive health measures, most notably an early lifting of the freeze on Medicare patient rebates.

The Medicare rebate freeze will be lifted from bulk billing incentives for GP consultations from 1 July 2017, from standard GP consultations and other specialist consultations from 1 July 2018, from procedures from 1 July 2019, and targeted diagnostic imaging services from 1 July 2020. The lifting of the freeze on Medicare rebates will cost the Government around \$1 billion.

Dr Gannon said that the policy breakthroughs in the 2017 Health Budget are the direct result of the consultative approach of Health Minister, Greg Hunt, with the hands-on input and support of the Prime Minister.

“Minister Hunt said from day one in the job that he would listen and learn from the people who work in the health system every day about what is best for patients, and he has delivered tonight,” Dr Gannon said.

“The AMA would have preferred to see the Medicare freeze lifted across the board from 1 July 2017, but we acknowledge that the three-stage process will provide GPs and other specialists with certainty and security about their practices, and will help address rising out-of-pocket costs for patients.

“Lifting the Medicare rebate freeze is overdue, but we welcome it.”

Dr Gannon said that the Government has also responded to AMA advocacy by:

- reversing proposed cuts to bulk billing incentives for diagnostic imaging and pathology services;
- scrapping proposed changes to the Medicare Safety Net that would have penalised vulnerable patients;
- delaying the introduction of the Health Care Homes trial until October to allow fine-tuning of the details;
- moving to an opt-out approach for participation in the My Health Record; and
- recognising the importance of diagnostic imaging to clinical decision-making.

Dr Gannon said the AMA supports the Government’s measures to increase the prescribing of generic medicines, when it is safe and appropriate and discussed with the patient, and preserves doctors’ clinical and prescribing independence, with savings to be invested back into the Pharmaceutical Benefits Scheme (PBS).

“We also welcome the Government's allocation of \$350 million to help prevent suicide among war veterans; the expansion of the Supporting Leave for Living Organ Donors Program, which allows donors to claim back out-of-pocket expenses and receive up to nine weeks paid leave

while recovering; measures to increase the vaccination rate; and the ban on gambling ads during live sporting broadcasts before 8.30pm.

“We acknowledge extra funding for the Rheumatic Fever Strategy, in response to calls in the 2016 AMA Indigenous Health Report Card.”

Dr Gannon said that tonight’s Health Budget effectively ends the era of disastrous co-payment and Medicare freeze policies, and creates an environment for informed and genuine debate about the numerous other areas of unfinished business in the health portfolio.

“We now need to shift our attention to gaining positive outcomes for public hospitals, prevention, Indigenous health, mental health, aged care, rural health, private health insurance, palliative care, and the medical workforce,” Dr Gannon said.

Dr Gannon said that the lifting of the Medicare freeze and the other positive measures in the Budget have come about through open discussion and engagement with the Government, and the AMA intends to build on this positive relationship with the Health Minister and the Prime Minister to achieve further benefits for patients and the health system.

Dr Gannon said the AMA is committed to working collaboratively with the Government on:

- the Medicare Benefits Schedule (MBS) Review process;
- an improved system of after-hours care;
- uptake of the My Health Record;
- the Health Care Homes concept and trial;
- pathology sector arrangements, including approved collection centre (ACC) rents; and
- MBS compliance.

The AMA will make further comment following examination of the complete Budget papers across portfolios.

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