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Transcript: AMA President Dr Michael Gannon, Doorstop – Parliament House, 21 July 2016

Subjects: Indigenous health, Medicare rebate freeze, health policy

MICHAEL GANNON: Good morning everyone. As you all know, I've just met with Minister Ley, the first of what I hope's a number of productive meetings. The AMA took a set of policies to the election campaign, we supported elements of Labor policy leading into the election, we saw a Government get the scare of its life when it comes to health, but we look forward to a productive relationship with the Government during this term and I look forward to continuing the relationship with Minister Ley.

QUESTION: The targets for closing the gap in Indigenous disadvantage, some of them aren't moving, some are in fact going backwards. What would you like to communicate to the Federal Government on making progress on those targets?

MICHAEL GANNON: Well, I suppose that brings us to one area of controversy during the election campaign and beyond, and that's the freeze on rebates for patients when they see doctors. GPs, Aboriginal Medical Services, are heavily dependent on those. That's such an important issue to make sure that those services are well funded. It's also very important that we look at prevention, that's an area that's potentially been underdone when it comes to health funding. Prevention is so important in the area of Indigenous health, and the social determinants of health, the things that drive increased rates of perinatal mortality, increased rates of infant mortality, increased rates of maternal morbidity, they're all things that can be dealt with with prevention.

QUESTION: We've heard Sussan Ley in the past say that she would like to unfreeze the rebate indexation if not for Treasury. Did she give you an indication in that meeting that there are moves to unfreeze that rebate?

MICHAEL GANNON: Well, I look forward to further discussions on unravelling the freeze. I would be gobsmacked if the Government took an ongoing freeze to the next election. They got the scare of their life on health, and that was probably the policy which hurt them the most. It makes general practice and a lot of other areas of medical practice potentially unviable if it's not unravelled. So I look forward to continuing this relationship, continuing that discussion. And we do want to see results; I would like to see a move on that in coming months. We need to unravel the freeze.

QUESTION: Doctor, what does it say about the Government's priorities when it's prepared to consider a change of policy that affects 4 per cent of superannuation savers, but won't come out and say it's going to reconsider a policy that affects 100 per cent of people who go to a GP?

MICHAEL GANNON: Health is important to everyone. It does, it affects 100 per cent of us and it affects our loved ones on a more regular basis. We need to fix these policies. It is true that the Government should try and find ways of balancing its books, but it's not true to say that health spending is out of control. If we look at the area we're most concerned about - primary care, general practice - it only makes up 6 per cent of health spending. Unravelling the freeze would be a great start, a good sign of good faith from the new Government.

QUESTION: But Doctor, you say the Government got the scare of its life from the Medicare- from the feedback from the public on the Medicare campaign, has anything you see in your talks with the Minister just now suggested to you that she's taken on board this scare?

MICHAEL GANNON: Look, I'm conscious of the fact that Cabinet hasn't yet met and it's only a couple of days ago that the Minister was reappointed. So I didn't expect any hard and fast undertakings from her today. But what we did have today was the start of a really positive and constructive relationship. I'm excited that the Minister chose to meet with the AMA as her first order of business, and I think that we can do things together to improve the health system.

QUESTION: So, in terms of having a good relationship between your organisation and the Government, what's the number one thing the Minister must do? What's first order of business?

MICHAEL GANNON: The first order of business is to have a serious timeline to unravel the freeze on patient rebates. At the same time, we want to talk more about a sustainable plan to fund public hospitals. We were pleased by the undertakings from both the Coalition and the ALP during the election campaign to have a serious formula for how we fund public hospitals going forward. I think one observation the Minister and I agreed on is that the states were fairly quiet, the States are happy with that formula. But we want to see a real robust formula to make sure that public hospitals are well funded well into the medium term.

QUESTION: What areas of common ground [indistinct] with the Government on health?

MICHAEL GANNON: I'm just pleased that the Government has shown a willingness to listen to the AMA and a willingness to engage more closely on health policy. There are policies that go back a couple of years - they still have the co-payments from 2014 hanging around their neck, there's been a perception of a breach of trust with the Coalition and the people of Australia on Medicare. What I had is very early preliminary discussions with the Minister today was a willingness to listen to those concerns, and when governments talk to doctors, when doctors talk to government, we've got a really good chance of coming up with the best health policy.

QUESTION: Nothing specific though?

MICHAEL GANNON: I'm very conscious of the fact that the Cabinet hasn't met. It would not be appropriate for the Minister to go making a great deal of promises. But our discussions did focus on the fact that health is not the problem with the budget, health is not the area to repair the budget.

QUESTION: How often do you expect to meet with the Minister?

MICHAEL GANNON: I would hope we would have regular meetings. The health system is big and complex, and there's a lot to talk about - all the way from prevention, education, public health campaigns, through really important reforms to how we sustainably fund general practice through to public hospitals, and of course our fantastic hybrid of private and public medicine. So there's a lot to talk about. My phone is always on to talk to the Minister. I look forward to engaging with her closely.

QUESTION: You said you would be gobsmacked if they took the Medicare freeze to another election but are you hopeful that the current freeze can be unravelled sooner than that?

MICHAEL GANNON: I think that a measure of good faith from the Government would be to have a serious timeline about when the freeze would be unravelled and the sooner the better. It does impair the viability of general practices, it does threaten the ability of general practices to bulk bill the most vulnerable in our community. That's an important facet of universal health

care, that the neediest in our community have no price barriers to seeking care. The sooner the freeze is unravelled the better. I will be looking for serious undertakings and a firm timeline from the Government.

QUESTION: So, what would be a serious timeline? What would be the end date of a serious timeline?

MICHAEL GANNON: Well, during the election campaign we welcomed the ALP's policy to unravel the freeze on 1 January 2017. I won't quib about when it needs to be undone but what we've seen is general practice suffer, you know, the death of a thousand cuts in many ways. The freeze first introduced by the previous Labor government is now more than four years old. This is what GPs are telling us is that they've been able to hold on for a period of time but they can't hold on forever. We want to protect universal health care so that those who can afford to pay do make a contribution to their health care, but we must keep protections for the neediest in our community. Step one is unravelling the freeze.

QUESTION: The Minister said that she is prepared to look at that freeze if alternative savings can be found, are there any areas in health that you would be willing to work with her on finding savings or any areas you could nominate where there is wastage?

MICHAEL GANNON: Well, just today, the AMA's released its position statement on stewardship. In other words, how do we look after every precious dollar in the health system and that's something that is the responsibility of individual doctors, individual hospitals and health systems. There are inefficiencies in the health system. There are some areas where we could do better. But what I've heard from the Minister today is that she's heard what the Australian people have had to say during the election campaign – health should not be the focus of budget repair in this Turnbull Government.

QUESTION: You said that people who can afford to pay to see a doctor should. Are you suggesting that co-payments be brought back into the mix?

MICHAEL GANNON: What we would like to see is a system where it's easy for those who can afford a contribution to their health care, continue to make that. It's already common for a majority of GPs in Australia to privately bill a proportion of their patients. The AMA supports GPs and other specialists being paid appropriately for their endeavour and their skill. What equally we want to see is protections inbuilt for the most vulnerable in our community and previous government policies didn't enable GPs to protect those who can't afford even a few dollars out of pocket.

QUESTION: But is a general practice the right place for people to decide who can afford to pay? How is an individual practice going to make those decisions?

MICHAEL GANNON: I think GPs really are in touch with the needs of their patients. I think they've proven that with high rates of bulk billing over a generation. That shows that GPs care about their patients, that shows that they understand when times are difficult, that shows that GPs, from time to time, GPs and other specialists from time to time will vary how they bill their patients according to their circumstances. The reason the co-payment models of 2014 were so wrong is that they didn't give individual doctors the ability to make those judgements. They also didn't give the system the ability to protect the neediest in the community and we know that even small \$5, \$6, \$7 out of pocket expenses are enough to stop some people from going to see the doctor. We know that if we don't have good preventable health care in general practice, people end up getting sicker, they end up in hospital, and that's a lot more expensive.

QUESTION: Doctor, Malcolm Turnbull said that the Government has to address the fertile ground into which Labor planted its Medicare campaign. Do you think that shows a willingness to change policies on health or is it more an attempt to scapegoat the 2014 Budget for the election performance?

MICHAEL GANNON: No, I think that the Prime Minister was very sincere in his commentary, in knowing that he wants to see changes. The Prime Minister acknowledged that his party and their policies had left that fertile ground. If we go back to the 2014 Budget there were policies there that resulted in a loss of trust between the Australian people and the Coalition on health policy. What I want to see is the kind of policies that the Turnbull Government can turn up in three years time seeking re-election and saying look, we listened, this is what we've done for general practice, this is what we've done for public hospitals.

QUESTION: [Indistinct] the election campaign post-mortem has been that the Medicare or Mediscare wasn't kicked(*) back hard enough by the Coalition and David Johnston even said that it was Politics 101 to get [indistinct] to take [indistinct] especially in a campaign. Do you agree with that sort of sentiment?

MICHAEL GANNON: I don't think it's smart to get doctors offside and I think it's smart to listen to all stakeholders in the health industry. I think that the Government will make good policy if they talk to doctors, if they talk to nurses, if they talk to other people at the coal-face, dealing with patients everyday, whether that's in the community, or in hospitals. Good health policy is listening to those people who deal with patients every day.

QUESTION: And I guess [indistinct] when you put the AMA [indistinct] relationship with the Government ...

MICHAEL GANNON: I see no reason why we would not seek a more productive and positive relationship with government. Equally, we want to have an open dialogue with the Opposition and the crossbench. There's a lot of new parliamentarians coming to Canberra later this month. The AMA is here to help them construct a good policy, to look at what might work well in the Senate in the months going forward.

QUESTION: How would you describe today's meeting?

MICHAEL GANNON: Today's meeting was warm and productive. I've met Minister Ley on a number of occasions in the past. She's someone who I've welcomed the opportunity to work with in the future. I really look forward to that. Alright, thank you all.

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