Hunter General Practitioners Association Submission to the Select Committee on Health

Health policy, administration and expenditure

January 2015

Introduction

The Hunter General Practitioners Association was established early this year to provide an independent voice for General Practitioners in the Hunter region.

The Hunter region has a population of over six hundred thousand people, who have primary care services provided to them by more than 700 General Practitioners.

The RACGP, the AMA, the Doctors Reform Society, GP NSW, and the Australian Association for Academic Primary Care have made detailed and evidence-based submissions to your Committee. We support those submissions, and believe they are summarised at least in part by the following statement: "*Improved primary health care is fundamental to achieving better health outcomes across Australia. A strong primary health care system helps to contain costs because health problems are treated before they need more expensive hospital treatment*." (The Hon Peter Dutton MP, 2014)

The purpose of our submission is to make the Senate aware of the degree to which grassroots GPs have been dismayed and disappointed that the Government has belied these words of the former Minister for Health. Instead of matching policy to rhetoric, the Government has demonstrated a failure to understand both General Practitioners and primary care more broadly. This failure has been evident in the mooted MBS changes (the "GP co-payment" and the MBS rebate freeze through to 2018), as well as the means by which the Level A/B change was to be implemented.

For the sake of our patients, through the astute actions of the Senate, we want to see this disappointment in Government policy transformed into real hope for our health care system.

Saving money?

From the outset it was unclear what the primary intent of the MBS changes was. Was it to fund medical research, to discourage people from seeing their GP with a "price signal", to end "6 minute medicine", or to help the budget bottom line?

From the most recent declarations of a Medicare budget being out of control, it appears the budget bottom line is dominating the Government agenda. (Bourke, 2015)

Leaving aside the specific validity of that concern, Australia does have an ageing population and a rising prevalence of chronic conditions. Combined with treatments that enable people to live longer

with chronic diseases, the health budget will continue to be under pressure. (Britt, et al., 2014) There is absolutely a need to search for efficiencies in our health system.

The BEACH (Better the Evaluation and Care of Health) program has demonstrated that for the Medicare dollar, GPs have been seeing more patients, managing ever more chronic problems, and providing more procedures and treatments. (Britt, et al., 2014) On average, GPs have been doing this for less than half the cost per service of a private specialist, and for between 1/8th and 1/12th of the cost of an emergency department visit.

It is far more cost effective (*and better for the patient!*) for a GP to both see a patient and administer a joint injection, than for a GP to see a patient and then refer the patient to a specialist for the same joint injection. So why has the MBS item number for GP joint injections been removed?

It is far more cost effective (*and better for the patient!*) for a GP to see and treat early a patient with a skin infection. The alternative is for the same service to be done at the emergency department for a much higher system cost; or for an extraordinarily higher system cost to be imposed if the patient has to be admitted due to a late presentation.

It is far more cost effective (*and better for the patient!*) for a GP to optimise the care of a patient with diabetes and high blood pressure, than for the patient to have a stroke, be hospitalised, undergo months of rehabilitation, and then spend the rest of their life in an aged care facility.

So why try to deter people from presenting to their GP?

International research shows over and over again that primary care is, when viewed from a "whole-of-system" perspective, the most cost-effective way to deliver health care. (Starfield, 2010)

Damage done

The answer to the health budget bottom line is not to disinvest General Practice. That would be a false economy that would only serve to increase costs downstream.

To the contrary, improving primary health care requires an investment in General Practice. This is not just in a financial sense – but also in a professional and relationship sense. General Practitioners need to be recognised as experts in our field who want better health outcomes for all of our patients.

Government also wants better health outcomes for all Australians. GPs understand this needs to be done within limited resources.

But imposing changes that fundamentally affect General Practice, and which have been developed without adequate stakeholder consultation? This risks wrecking enormous damage to the standards and long-term cost of health care in this country.

And even with the co-payment and rebate freeze yet to be realised, the move towards Level A/B changes have already pushed General Practitioners into mobilising not in support of reform, but against it. That ill-advised Government action has had the effect of not building trust with General Practice, but destroying it.

As evidence of this, we commend to you the attached submission from a local Hunter general practice, which clearly represents the views and feelings of GPs at this time.

Conclusion

We urge against any further erosion of what is an essential part of the Australian health care system. We urge against proceeding with both the GP co-payment and the freeze on MBS rebates. Limit the damage, both with regards to financial and human currency. Instead, use our collective knowledge and experience to help begin to craft a health system that can improve the patient experience, improve the health of all Australians, and do this with a reduced per capita cost. (Institute for Healthcare Improvement, 2015)

We want your help to rebuild the trust. Please use this opportunity to take the first step towards working in partnership with grassroots General Practice, for a health system that will meet both the health care needs and the financial challenges of Australia for generations to come.

Dr Lee Fong
Secretary, Hunter General Practitioners Association
324 Brunker Road, Adamstown, NSW 2289
Email: enquiries@huntergpa.org
www.huntergpa.org

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Mr Stephen Palethorpe
Senate Select Committee on Health
PO Box 6100
Parliament House
Canberra ACT 2600

SUBMISSION:

Dear Mr Stephen Palethorpe,

We write to express our dismay in regards to your Government's deliberate targeting of general practice in the revised co-payment, frozen indexation and changed Level A/B consultation times model. Whilst it was a relief to hear the timed ten minute Level B consultation model was abandoned, we still remain extremely concerned about the future of General Practice and the subsequent effect on the health of our patients.

Rather than bombarding you and the senate with letters from individual GP's at our IPN Medical Centres in Charlestown, Redhead, and Windale we have decided to send one submission.

These three General Practices in the Newcastle region have been operating in our community for over 50 years. Though we started out small & had previous owners, we have grown to contract and employ 21 Doctors and 27 support staff. We have 25, 000 active patients on our database who are very keen to know what is happening to the Practice some have attended for their entire lives.

In addition to the opinion of our doctors, Dr Colin Pearce had the privilege of talking to 110 local GP's on Monday 12th January at a meeting organised by Dr Richard Terry and himself to discuss the proposed Medicare changes. The attendees owned or worked in many styles of General Practices, from solo GPs to large medical centres. At the beginning of the meeting Dr Pearce asked those present how many GP's had their patients booked in four 15 minute appointments per hour, with extra appointments to fit in emergencies or review nurse assisted appointments. They all raised their hands. You can conclude that those attending (and in fact, almost certainly the vast majority of GPs) do not practice ''6 minute'' medicine.

This submission has been written in consultation with all the doctors and staff in our practice, and in the wake of the GP meeting on Monday 12th January. You may therefore have confidence that the concerns that follow broadly reflect those held by GPs.

Universally, we all felt insulted, not only personally, but also professionally by the legislative changes described in the opening paragraph. We are all concerned about how we are going to continue to provide quality care to our patients, ensure the sustainability of our practices, and hold grave concerns for the overall future of Medicare.

The changes in relation to the protection of the most vulnerable communities are welcome and indicative of a mature and compassionate society. However, even for these groups, bulk billing will not be sustainable. Although General Practitioners are extremely motivated about providing care for all, non-indexation of rebates will eventually make bulk billing for even the most needy impossible.

General practice is the foundation of the Australian health system and the first point of contact for patients seeking healthcare. The $5 cut to patient rebates will mean that our GPs must make an ethical decision to either absorb the reduction or charge patients the difference. In the end, though, we believe that we will not actually have a choice. This is because these changes will fundamentally threaten the financial viability of all general practices. Furthermore, the future GP workforce is at risk. We are a teaching practice to young doctors wanting to start a career as General Practitioners. We have already started to see a decline in Registrars and will no doubt see a further one in the short term future as young Doctors will view general practice as an unattractive vocation.
We as a General Practice have experienced serial cutbacks in Medicare rebates and other changes over the years and have struggled to adapt and absorb these. The changes include the loss of nurse item numbers for pap smears, dressings and immunisations; the inability to bill a consultation on the same day as a GP

Shop G8043-G8048, Charlestown Square
Pearson Street, Charlestown NSW 2290
Telephone: (02) 4943 3166 Facsimile: (02) 4947 8380
Web: www.ipn.com.au
IPN Medical Centres Pty Ltd ABN: 37 088 149 893

management plan item although the consultation is unrelated; the loss of the item number for joint injections; the loss of immunisation certificate fees; a reduction in EPC rebates; and of course a long history of inadequate to no indexation of rebates. We have copped all of these on the chin but enough is enough. The most recent proposals will not be able to be absorbed, and will fundamentally change the way General Practice operates and will force an increase in the out of pocket costs to all our patients.

We operate as a business; we employ or contract doctors, receptionists, nurses, managers and others to deliver health services to its patients. This has to be done through quality surgeries with high and increasing costs like consumables, power, phone, rent, etc. A General Practice needs to be able to operate profitably or we will not survive. The Medicare changes before the Senate will make the current model of many practices, including ours, unsustainable if we don't pass on the costs to our patients.
Here are just some of the ways that the inadequate rebates and non indexation will significantly affect us and our patients with the proposed changes.

(a) Further overcrowding of emergency departments due to price points causing inability of patients attend General Practice
(b) Loss of our practice nurses to assist our patients with treatments, such as wound care, immunisations, pap smears, and INR testing due to rebates being insufficient to cover costs of consumables and nursing staff.
(c) Complex wound care for our patients will now be referred to the community nurses or the costs of all consumables passed onto patients for the same reason.
(d) Increased cost to our patients through increased gap payments and reduction and even abandonment of bulk billing
(e) Reduction in the availability of our after-hours care for our patients which will exacerbate the problem of overcrowded emergency departments. Keep in mind that we are currently open approximately 23 after-hours hours as per Medicare's criteria which is extremely valuable to our community and hospitals.
(f) The inability to treat our patients for management of chronic disease and an unrelated problem on the same day. We do have examples of this having already occurred since the change was brought in in November 2014.
(g) If we do not pass on the Medicare cuts to our patients we will have to reduce our administration and nursing staff hours in order to maintain a sustainable and continuing business. This may result in staff losing their jobs.

In summary, your revised model threatens the viability and sustainability of quality general practice even with the back flip regarding the level B descriptor, thus impacting on the delivery of efficient healthcare in Australia. We plan to convey this message to all of our patients so they fully understand the impact these changes will have on them, their families and their community. The same message will go out through our colleagues who attended the meeting we organised, and through the newly created Hunter General Practitioners Association we are now a part of. We need to justify why they are going to have increasing out of pocket expenses. We need to let them know the legislation that has necessitated this and who is responsible.

There was a pre-election promise of no funding cuts to health. The evidence of the value of General practice in providing value is unquestioned in the BEACH study, in the relative value study, and in the government's own consultative documents is unquestioned. We request a moratorium be implemented on this present proposed government initiative. The Australian public desperately need governments to stop the progressive underfunding General Practice. Our world leading health outcomes are under threat.

Sincerely,
Charlestown Square Medical Centre
Redhead General Practice
Windale Community Medical Centre

Shop G8043-G8048, Charlestown Square
Pearson Street, Charlestown NSW 2290
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Web: www.ipn.com.au
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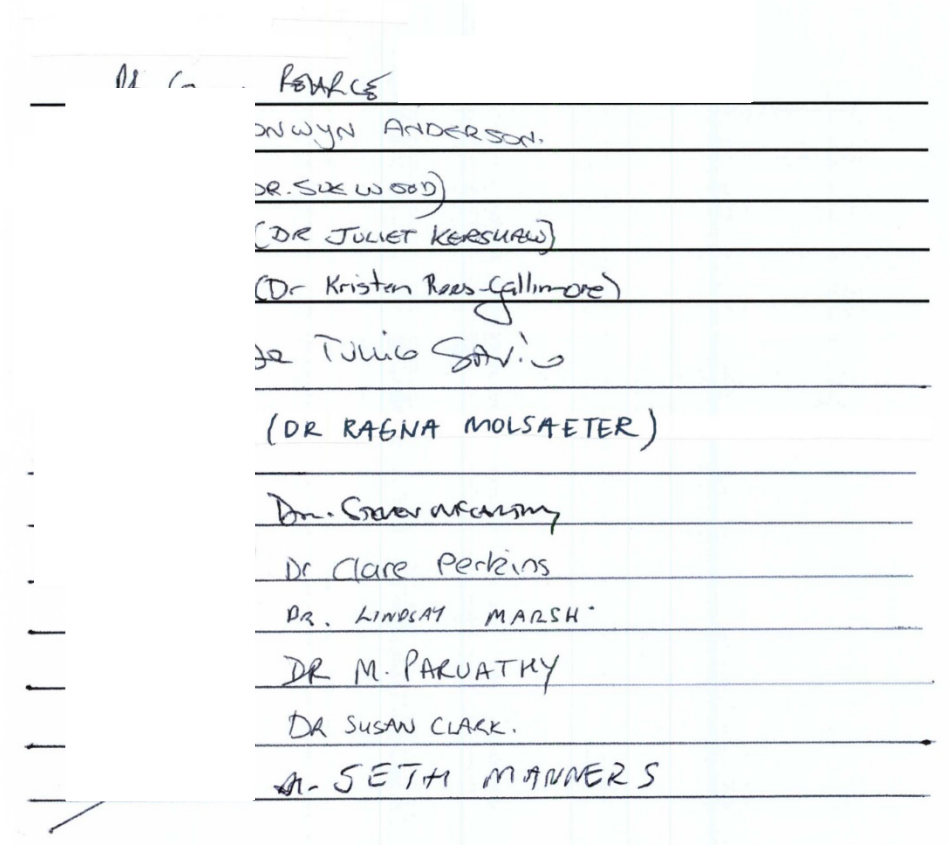

Dr Colin Pearce and Dr Richard Terry the organisers of the Meeting 12.1.15 on behalf of the 110 general practitioners attending.

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