

Madam Chair,
Thank you for the opportunity to address this inquiry.

My name is Colin Pearce. I am proud to be an Australian General Practitioner.

I am the clinical director of Charlestown Square Medical Centre.

I am here to represent the doctors, staff and patients of our 3 medical centres based in Newcastle, at Charlestown, Redhead and Windale.

We made a submission to the senate regarding the recent proposed changes to medicare . We believe these unfairly target General practice and our patients.

These changes have stimulated much discussion about medicare , how it could be funded, what changes could be made to its model and how savings could be made in the future to ensure medicare is sustainable.

We want our health system to provide excellent health services and outcomes to all patients at affordable cost. We do not want cost barriers which will lead to excessive burdens on public hospitals and community health services, and prevent people from having affordable access to proper assessment and management of their health.

We need our practices to be viable. If there is little or no profit in owning a practice then practices will close. Then there here will not just be a shortage of General Practitioners but an extreme shortage in the infrastructure required to efficiently deliver primary health care. If this happens the government will then be required to become more and more involved in providing infrastructure to deliver primary health care at huge cost.

We believe health , but General practice in particular is currently underfunded. One approach to addressing this is budgeting to reduce costs, another is to look at increasing funding. The governments proposed “solution” is to force GPs, to increase gap payments or produce financial barriers to access health services. The aim of this is to reduce service demand (medicare expenditure). The risk is it will cause

unaffordable price barriers to many patients accessing primary health care and therefore a failure of our health system. This is particularly true for middle income earners who do not qualify for a health care card. This group really struggle. Any cost cutting should be done across the whole health service in a way that does not create barriers to care and in particular does not target primary health care. Good Primary Health care is essential for the health of our nation. Hunter GPA and Dr Richard Terry Have collated some suggestions that may help reduce costs without creating price points .

As well as cost reduction, thought needs to be given to raising funds to adequately pay for the health services our nation desires. The AMA and RACGP submissions both clarify health expenditure. The medicare levy is clearly not enough. Everyone needs to contribute a little more. Some ideas may be around a fast food tax or increasing the gst .

Finally our health system may need to be redesigned to suit the changes that have occurred in the last 40 years. Much discussion has already gone into this. Achieving this it is going to require extensive discussions between government , health service providers, our peak bodies and the consumers.

With our 3 year election cycle, change in design will also require co-operation between the major parties.

Left alone GPs have been doing a great job at looking after the health of our nation. We are efficient, hard working , and are achieving great outcomes for our patients. These claims are well supported with the evidence tabled in the RACGP's submission.

The ill considered and un-modeled proposals of no indexation and a \$5 co payment suggested to make medicare sustainable will not work. In the long run we believe they will increase Government costs, create barriers to care, create workforce shortages, put patients at risk and reduce infrastructure in the primary health care system.

Yours Sincerely
Dr Colin Pearce