



What is the Medicare co-payment?

The 2014-2015 Abbott government budget **has proposed** to introduce a co-payment of \$7 for each General Practitioner (GP) visit and any out-of-hospital pathology and imaging.

This includes common procedures such as blood tests and X-rays.

So every time a consumer visits the GP they will incur this charge not only on the visit, but on each test and X-ray they may need as a result.

The co-payment works by reducing current GP pathology and imaging rebates by \$5.

Providers of the service then charge the consumer \$7.

The bulk-billing incentive payment is replaced with a 'low gap' incentive payment, payable only if the provider charges the \$7, but not if the provider charges more and not if they waive the \$7.

This would leave providers \$2 better off, but if they waive the co-payment, then the provider loses the \$5 rebate plus the 'low gap' incentive payment of around \$6-9.

After the first 10 services, a 'safety net' will apply for pensioners and card holders.

The co-payment aims to generate savings by acting as a deterrent for GP use based on the premise that if people have to pay, they will only go to the GP when it is absolutely necessary.

The federal government predicts co-payments will produce over \$1 billion.

This revenue will not go into general funding of the health system, rather it will go towards a medical research fund.

PHAAMAQ is concerned that the co-payment will:

- » force more people to attend emergency departments;
- » reduce use of GP visits for preventive services such as immunisations and cancer screenings;
- » be an unfair burden on the poorest and sickest members of the community who are most likely to defer visits to the GP because of cost;
- » cause those who do not qualify for the safety net to miss out on care.

PHAAMAQ does not support the co-payment in any form.

Neither do we accept that as a means of compromise there should be exemptions for certain groups.

The co-payment is an unfair barrier to our universal health system that operates and is paid for by all Australians.

It will adversely affect the poorest, sickest and most vulnerable members of our society.

Health research funding should come from government and the large medical and pharmaceutical interests that benefit substantially from the outcomes and not rely on the imposition of a co-payment for health care. ■