



RACGP

*Federal pre-budget submission*

2015-2016



## **Federal pre-budget submission 2015–2016**

The Royal Australian College of General Practitioners  
100 Wellington Parade  
East Melbourne, Victoria 3002 Australia

Tel 03 8699 0510  
Fax 03 9696 7511  
[www.racgp.org.au](http://www.racgp.org.au)

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# Introduction

The Royal Australian College of General Practitioners (RACGP) thanks the Government for the opportunity to contribute to discussion regarding the 2015–16 budget.

## About the RACGP

The Royal Australian College of General Practitioners (RACGP) is Australia's largest professional general practice organisation and represents urban and rural general practitioners. We represent over 28,500 members working in or towards a career in general practice. There are over 134 million general practice consultations taking place annually in Australia.

## This submission

The remaining elements of the Government's *A Strong and Sustainable Medicare* budget measure will place significant strain on patients, general practices and the broader healthcare sector, now and into the future. The cost of healthcare delivery will increase as more people present to emergency departments and hospitals for care that could have been provided in general practice for a fraction of the cost.

While the RACGP recognises that there are opportunities to improve Medicare, these specific changes will result in negative outcomes for patients, general practitioners (GPs) and the sustainability of the health system.

In light of the profession's outcry to the proposed changes, this submission identifies a strategy for all stakeholders to work together to achieve real Medicare reform.

Recognising that there are multiple issues influencing health outcomes, we have also provided a range of key recommendations on areas for investment in general practice and the primary healthcare sector more broadly.

## *General practice is the key to an efficient and effective healthcare system*

The Australian healthcare system operates in a complex environment. Life expectancy is increasing and the population is ageing, chronic diseases are becoming more prevalent and an uneven health workforce distribution prevents the equitable delivery of care. Despite our best efforts in addressing these issues, health outcome disparities persist.

A high performing and properly resourced primary healthcare sector will address the failures of the current health system. Unlike expensive hospital services, primary healthcare is a cost-effective way to address the needs of patients, funders and healthcare providers. GPs can identify health issues and risks early and intervene at the right time in order to prevent the need for costlier and riskier interventions.

The evidence for this is clear:

- Supply of primary healthcare medical practitioners has been shown to result in better health outcomes and lower total healthcare costs.<sup>1</sup>
- Primary healthcare results in cost savings through reduced hospital presentations, admissions, length of stay and readmissions.<sup>2–14</sup>
- Primary healthcare is significantly associated with reduced premature deaths from cerebrovascular diseases, heart disease, pneumonia and influenza.<sup>15</sup>
- Internationally, countries with weaker primary healthcare systems have significantly higher healthcare costs.<sup>15</sup>

## *Genuine consultation is needed to ensure positive outcomes for patients, GPs and the Government*

The Government's willingness to listen to the concerns of patients, GPs and other healthcare providers regarding the proposed changes to standard GP consultations is welcome. However, the Minister for Health's promise to consult broadly must become reality in order to achieve positive change.

The RACGP acknowledges that healthcare reform needs to take place in the face of the challenges outlined earlier. To be successful, planning for reform needs to involve GPs, other health professionals and patients through transparent consultation processes with adequate time and resources. All changes to primary, secondary and tertiary healthcare in Australia should be given thorough consideration and include a shared understanding and acceptance by all stakeholders.

Placing a moratorium on the remaining savings measures allows the time to achieve this.

To enable primary healthcare change, the RACGP advocates for the establishment of a GP health reform advisory group (the advisory group) consisting of Government, patient and GP representatives with a mandate to guide consultation with the Government and stakeholders.

The advisory group will ensure all parties concerned, including the RACGP and other general practice stakeholders, have equal opportunity to advise on the future of primary healthcare in Australia through a formal mechanism.

The advisory group should meet regularly to inform policy development and review all policy implications prior to Government decision making. The advisory group would guide informed decision-making and accepted decisions, as opposed to the profession reacting to surprise decisions and the Government facing unintended consequences.

The advisory group should be tasked with:

- regularly meeting to develop policy and options for general practice Medicare reform
- facilitating forums with stakeholders, including general practice organisations, patients and other health service providers, to develop options for Medicare reform
- reviewing policy implications and providing advice to the Government prior to decision making
- providing high-level support for reform implementation activities once satisfactory reforms are identified.

We encourage the Government to heed the RACGP's advice and recommendations.

### **Establishing a GP advisory group – recommendations**

1. Establish a moratorium on the remaining savings measures identified in the *A Strong and Sustainable Medicare* budget measure to provide time for meaningful consultation.
2. Establish a GP health reform advisory group consisting of Government, patient and GP representatives to guide informed consultations on Medicare reform (new funding, \$750,000 for one year).
3. Work collaboratively with the profession when implementing reform that has wide-ranging impacts on the delivery of GP services.

## Recommendations

Further to the recommendations relating to the establishment of a GP advisory group, the recommendations in the following table identify areas where Government investment and support is urgently required to improve patient health outcomes and enhance efficiencies within the primary healthcare sector.

The RACGP would welcome the opportunity to consult with the Government on these recommendations.

<b>RACGP recommendations</b>	
<b>Invest in the development of an alternative funding model which ensures the viability and sustainability of Medicare and general practice</b>	<p>A. Establish a moratorium on the remaining savings measures identified in the <i>A Strong and Sustainable Medicare</i> budget measure to provide time for meaningful consultation.</p> <p>B. Establish a GP health reform advisory group consisting of Government, patient and GP representatives to guide informed consultations on Medicare reform (new funding, \$750,000 for one year).</p> <p>C. Work collaboratively with the profession when implementing reform that has wide-ranging impacts on the delivery of GP services.</p> <p><b>These initiatives will contribute to the Government's efforts to reform Medicare services.</b></p>
<b>Support GP training and skills development</b>	<p>A. Strategically invest in GP vocational training to ensure Australia's current and future general practice workforce is able to deliver sustainable, equitable, efficient and effective quality healthcare.</p> <p>B. Support rural GPs to respond to community needs by supporting them to attain essential advanced skills through:</p> <ul style="list-style-type: none"> <li>– maintaining the \$80 million Rural Procedural Grants Program</li> <li>– establishing and providing \$80 million ongoing for an Advanced Skills (non-procedural) Grants Program.</li> </ul> <p>C. Streamline and standardise credentialing and right-to-practice arrangements to reduce red tape for rural and remote GPs.</p> <p><b>These initiatives align with the National Strategic Framework for Rural and Remote Health.</b></p>
<b>Support the primary healthcare sector to deliver mental health services</b>	<p>A. Implement strategies that support GPs, particularly those in rural and remote areas, to undertake advanced mental health skills training to increase the mental health skill set in the primary healthcare sector.</p> <p>B. Initiate a review of all mental health items in the Medicare Benefits Schedule (MBS) to improve access to primary mental health services.</p> <p>C. Take steps to ensure service continuity and access to mental health care for individuals who do not meet National Disability Insurance Scheme (NDIS) eligibility criteria.</p>

<b>RACGP recommendations</b>	
<b>Act on opportunities to improve effectiveness of care</b>	<p>A. Introduce a new MBS item number for referred attendances to specialists for a single episode of care, assessment, opinion and treatment advice as a means to reduce unnecessary Medicare expenditure on specialist services. This will ensure that patients who can be managed in general practice, rather than with a specialist, remain in general practice, thus reducing costs for specialist services.</p> <p><b>This measure would contribute to the Government’s intended reform of Medicare services.</b></p> <p>B. Increase the funding available for primary healthcare research to promote improvements in quality of care.</p> <p><b>This measure aligns with the Government’s pre-election commitment to invest in health and medical research.</b></p> <p>C. Introduce support for telehealth services between GPs and their patients by amending GP MBS consultations to allow telehealth consultations, providing a rebate of 75% of the scheduled fee, improving access to care for people in rural and remote areas and for people with limited mobility and restricted access to transport.</p> <p>D. Remove the 15 km minimum distance requirement for GP, patient and specialist telehealth consultations, recognising that telehealth solves barriers to care due to distance, limited mobility and transportation.</p>
<b>Help vulnerable Australians to access healthcare</b>	<p>A. Address the financial disincentives for providing care in residential aged care facilities (RACFs) by increasing patient rebates for GP consultations, recognising the additional time, complexity and opportunity costs.</p> <p>B. Introduce an MBS item and/or series of items that provide a rebate for GP home visits to provide palliative care to support GPs who provide care in this setting.</p> <p>C. Introduce a coordination payment, made to the GP, for each residential aged care patient in their care to compensate GPs for the significant amount of work done outside of face-to-face consultations with patients.</p> <p>D. Introduce ‘for and on behalf of’ MBS items for practice nurses visiting RACFs for and on behalf of GPs to improve access to care for patients.</p> <p>E. Prioritise incentive-funding programs to support the rural GP-RACF interface, improving access to care for residents in rural RACFs.</p> <p><b>These initiatives would improve access and choice for aged care consumers in line with the Government’s planned reforms to the aged care sector.</b></p>

### RACGP recommendations

#### Recognise the equity issues for rural, remote and Aboriginal and Torres Strait Islander communities

- A. Demonstrate (in collaboration with the National Aboriginal Community Controlled Health Organisation [NACCHO] and the RACGP) genuine commitment to preventive health strategies by prioritising reforms that will address the identified and continued unmet need for Aboriginal and Torres Strait Islander communities.
- B. Expand investment in Aboriginal Community Controlled Health Services (ACCHS), a proven model for successful health service delivery.<sup>16–19</sup>
- C. Continue ongoing commitment to Close the Gap (CTG) and the implementation of the *National Aboriginal and Torres Strait Islander Health Plan*.

**These initiatives align with the principles guiding the *National Aboriginal and Torres Strait Islander Health Plan 2013–2023*.**

- D. Introduce a Rural Access Innovation Fund (\$17.5 million over four years) to provide 70 grants to rural and remote areas to address a specific service gap or enable local treatment solution.
- E. Increase the number of practice nurses and Aboriginal health professionals in rural Australia to foster teamwork and more efficient healthcare delivery, and to strengthen chronic disease management and coordination of care.

**These initiatives align with the National Strategic Framework for Rural and Remote Health.**

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