

A photograph of a diverse group of people, including children and adults, smiling and looking towards the camera. The image is partially obscured by the Labor logo and the title.

POSITIVE POLICY

A Stronger Medicare For All Australians

Only Labor will fight to protect and strengthen Medicare, to make sure all Australians have access to affordable and universal healthcare.

Medicare is a cornerstone of the Australian community.

And yet Liberal Governments have time and time again sought to get rid of it, and are now shaping up to privatise Medicare, sending Australian down the pathway to an American-style health care system.

Labor will always stand up for Medicare, and will continue to protect it from cuts that will hurt millions of Australians.

That is why a Shorten Labor Government will end the freeze on indexation of the Medicare Benefits Schedule from 1 January 2017. This will apply to all services provided by GPs, allied health and other health practitioners, as well as medical specialists.

This decision will ensure Australia's world-class universal health care system is preserved for future generations.

What's the problem?

Having failed three times to introduce its GP Tax – thanks to community outrage and Labor's opposition in the Senate – the Turnbull Government is currently imposing a GP Tax by stealth.

Tony Abbott first tried to introduce a \$7 co-payment in the 2014 Budget based on a proposal from his handpicked Commission of Audit. When this was so poorly received by the public and the Parliament, they tried to introduce a \$5 co-payment, then reducing the rebate for short consultations by \$20. When all these attempts were so strongly rejected, the Liberals paused the indexation of the Medicare Benefits Schedule for four years until 2018 – a co-payment by stealth.

Then Malcolm Turnbull's first Budget ripped another \$925 million out of Medicare by extending the freeze by a further two years to 2020.

Malcolm Turnbull will not index Medicare rebates (the amount the Commonwealth pays for GP consultations and other services) until at least July 2020. As a result, patients will be forced to pay more for their care.

Professor Brian Owler, President of the Australian Medical Association, has warned that many practices will have to abandon bulk billing entirely.

As a consequence of this cut, "patients are going to be out of pocket at least an extra \$10, and in most cases, probably more likely to be \$20".^[1]

The Royal Australian College of General Practitioners says that "absorption of the rebate freeze will become increasingly difficult and that general practices will be under increasing pressure to pass additional costs onto patients".^[2]

There should be no mistake about the intention of the Malcolm Turnbull's cuts – this an outright attack on bulk-billing and universal access. Patients will pay more, and will be able to visit the doctor less.

One in twenty Australians already say that they delay visiting their GP, or do not visit at all, because of cost.^[3] This underpins the importance of primary care to the entire health system and can lead to conditions worsening and people being admitted to hospital – much sicker and with greater cost to the health system.

While the average cost to government of a visit to a GP is \$47, a visit to the Emergency Department ranges from \$400 to \$600.

There is considerable evidence that countries with better, more accessible primary care achieve better health outcomes, at lower cost, and with greater equity, than do countries with a higher focus on specialist and acute care.^[4]

Detecting illness earlier, and treating it earlier, effectively avoids more expensive treatments. That is why it is vitally important that barriers are not created to people accessing primary care.

For business, accessible and affordable primary care through Medicare means employees remain healthy and able to work, reducing hours lost and boosting productivity across the economy.

Medicare is a scheme for all Australians not just a safety net for the less well-off.

Australia has one of the most efficient health systems in the world. Australia invests around 9 per cent of GDP in health care. The US, one of the only industrialised countries not to provide universal health, spends around 18 per cent of their GDP on health care.

Despite spending almost double what Australia spends, the US is flagging dramatically when it comes to life expectancy and overall wellness.

We do not want to replicate the American system.

The Liberals' plans to privatise Medicare

Only Labor believes in Medicare and only Labor will protect and strengthen Medicare to ensure it remains the foundation of Australia's health system.

Labor does not want to see Australia go down the path of America, where healthcare is out of reach for many Americans.

That is why we have fought this cut, and it is why we will reverse it in government.

But the Government is not intent on just cutting into Medicare. It has established a special taskforce to move Medicare payments into private hands.

These two measures: cuts to bulk billing and attempting to move the Medicare system into private hands are part of a plan to end Medicare as we know it today.

Labor will fight these changes, and will always work to strengthen Medicare.

What is our plan?

Labor believes that every Australian should have access to world-class health care, regardless of what they earn or where they live.

That is why Labor created Medicare – Australia's unique universal health scheme that ensures Australians have access to general practitioners and other primary care providers to keep us well, care for us when we are sick and help us manage chronic disease.

That is why a Shorten Labor Government will end the freeze on indexation of the Medicare Benefits Schedule from 1 January 2017. This will apply to all services provided by GPs, allied health and other health practitioners, as well as medical specialists.

LABOR'S RECORD

Labor believes all Australians should be able to access affordable, quality healthcare when and where they need it.

That is why Labor built Medicare and why we will always fight to protect it.

Labor has stood strong against the Government's relentless attacks on Medicare. We have:

- Blocked three versions of Tony Abbott and Malcolm Turnbull's GP Tax.
- Blocked the Liberals' plan to increase the cost of prescription medicine by up to \$5 a script.
- Blocked the Liberals' plan to slash the Medicare Safety Nets by almost \$300 million.
- Stood up for patients' access to pathology and diagnostic imaging.
- Held the Liberals to account for their billions of dollars in other cuts to health and hospitals.

Only Labor believes access to healthcare should rely on your Medicare card, not your credit card.

Only Labor will always protect Medicare.

THE TURNBULL LIBERAL GOVERNMENT'S RECORD

Mr Turnbull says he is committed to Medicare, but he has already cut billions from Medicare and wants to privatise Medicare payments.

Mr Turnbull's record is clear. On top of Tony Abbott's cuts to health and hospitals, in less than a year as Prime Minister, Mr Turnbull has personally cut around \$4 billion from health:

- Increasing to over \$2 billion the cuts to GPs and other primary care via the continuation of the freeze on Medicare rebates – a co-payment by stealth that will cost patients up to \$14 every time they visit the GP.
- \$1 billion from dental services by abolishing Labor's Child Dental Benefits Scheme – forcing millions of kids onto long public dental waiting lists.

- \$650 million from pathology and diagnostic imaging, meaning that patients are likely to pay more for vital preventive and diagnostic tests such as MRIs, X-Rays and CT Scans.

Mr Turnbull wants to increase the cost of prescriptions – by up to \$5 per script – hitting some of the sickest patients the hardest. Even concession card patients will have to pay 80 cents more per script.

Now Mr Turnbull wants to privatise the Medicare payments system, putting patient records and 1,400 jobs at risk. This is just the beginning - the thin end of the wedge. The Liberals will not rest until they have savaged bulk billing and eliminated universal healthcare in this country.

Nobody wants to head down the same path as America when it comes to our health system.

Financial Implications

	2016-17	2017-18	2018-19	2019-20	Total (m) ^[5]
Net Impact	-140	-440	-750	-1,100	-2,425

Labor’s policy has been costed independently by the Parliamentary Budget Office and will have an impact of \$2.4 billion over the forward estimates (to 2019-20), and \$12.2 billion over the decade to 2026-27.

Labor will fund this policy through announced improvements to the Budget, including not proceeding with the new baby bonus, capping VET FEE HELP loans, and not proceeding with the tax cut for multinational companies.

[1] Doorstop, 15 May 2016, [Transcript: Launch of AMA campaign against the Medicare patient rebate freeze](#)

[2] RACGP Vision

[3] ABS, Patient experiences in Australia: summary of findings, 2014-15

[4] Starfield et al, Milbank Q 2005;83;457-502. Macinko et al, J Ambul Care manage 2009; 32 150-71

[5] Totals may not sum due to rounding



LABOR. WE’LL PUT PEOPLE FIRST.

These policies (including where relevant their costings from the independent Parliamentary Budget Office) were accurate at the time they were announced. Labor will publish the updated final cost of all policies and their combined impact on the Budget prior to election day.

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