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Fact Sheet



The Howard Government's plan to allow doctors to charge co-payments for formerly bulk-billed services will end Medicare as we know it and allow fees rise like never before.

- ⊕ Australians already pay for Medicare through their taxes and the Medicare Levy. Working people will now pay a third time through the new co-payment.
- ⊕ There will be no incentive for GPs to bulk-bill anyone except pensioners & health cardholders.
- ⊕ A working family with two children and an average number of doctor visits will face up to \$500 a year in extra costs for formerly free bulk-billed GP visits and pathology tests.
- ⊕ It will be easier for doctors to increase fees because they will not have to charge up front for the full cost.
- ⊕ Paying the gap fee up front may seem cheaper at first, but patients will pay more as fees increase and they cannot claim anything back from Medicare.
- ⊕ Allowing GPs to claim the Medicare rebate while also charging patients for the gap will end the effective restraint on fees that has been an essential part of Medicare since it began in 1984.
- ⊕ People who cannot afford co-payments will have to seek free treatment in public hospitals.



The Howard Government's policies have already undermined Medicare by reducing bulk billing rates by GPs and increasing health costs:

- ⊕ Since the Howard Government came to office, the proportion of GP visits that are bulk-billed has fallen from 80.6% to 69.6% nationally. Rates are even lower in regional and rural Australia, with bulk billing already non-existent in some areas.
- ⊕ The out-of-pocket cost of seeing a non-bulk-billing doctor has risen by 16.6% in the last two years to December 2002, with the average patient contribution rising to \$12.78 per GP visit.
- ⊕ Health costs increased by 7.2% in the 12 months to March 2003 - higher than any other Consumer Price Index (CPI) group except education as reported by the Bureau of Statistics.



Medicare has been one of the world's fairest and most efficient health systems:

- ⊕ Despite the Howard Government's preference for United States-style private health insurance, Medicare has provided a world-class public health system that compares well internationally.
- ⊕ Despite spending far less than the US on health care (8.3% of GDP vs 13% of GDP) Australia has 30 per cent more acute beds available per capita, a 36.5 per cent lower infant mortality rate and life expectancy more than two years higher than the US. Unlike Australia, the US has over 40 million people without any form of health insurance.
- ⊕ Most US employers pay for health insurance costs, which constitute up to 20% of wages. Since the introduction of Medicare, wage claims in Australia have been moderated in consideration of the availability of universal public health insurance.



How Medicare compares internationally:

Key indicator - 2000 OECD data:	Australia	USA	UK	Germany	France	Canada
Total health spending % of GDP	8.3%	13%	7.3%	10.6%	9.5%	9.1%
Public health spending % of Total	72.4%	44.3%	81%	75.1%	76%	72%
Health spending per person US\$	\$2211	\$4631	\$1736	\$2748	\$2349	\$2535
Life expectancy at birth in 1999	79 years	76.5	77.4	77.7	78.8	79
Infant mortality deaths per 1000*	5.7	7.1	5.8	4.5	4.3	5.3
Acute care beds per 1000*	3.8	3	3.4	6.4	4.2	3.3

Source: OECD Health Data 2002 4th ed.

* 1999 data

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ONLY A FOOL WOULD BELIEVE...."

"Whatever the Government says, full insurance will be means tested from now on and there will be GP co-payments for most people. These would be uncapped and unpredictable, and only a fool would believe that they will not rise or eventually extend to other services."

John Deeble, Adjunct Professor of Economics at the Australian National University in Canberra and a chief architect of the original Medicare scheme.

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