



Committee Secretary  
Senate Standing Committee on Community Affairs  
PO Box 6100  
PARLIAMENT HOUSE  
CANBERRA ACT 2600

8<sup>th</sup> May 2014

**THIS SUBMISSION MAY BE MADE PUBLIC**

**OUT OF POCKET COST IN AUSTRALIAN HEALTHCARE - SUBMISSION**

This submission focuses specifically on the impact of a co-payment on individuals and families on low and fixed incomes.

**Background to Baptistcare**

Baptistcare is a multimillion dollar service provider operating in Western Australia. We provide direct services, especially residential care services to thousands of older Australians annually. We employ over 1500 individuals across Western Australia and provide services to thousands of Western Australians from all walks of life.

Baptistcare is an organisation driven by its values: dignity and compassion; integrity and respect; courage and justice, stewardship and accountability. These very human values drive the way we do business, the way we treat each other and the way we work with our clients, our peers and our colleagues.

We believe a universal health care system is the key hallmark for Australia's wonderful health care system. The introduction of co-payments in any form will contribute to those most vulnerable in our society being unable to access basic services, widen the gap between those without resources and those with, and may well contribute to the demise of our universal health care system..

When considering such radical policy changes as the introduction of compulsory co-payments for medical expenses, we must ask what we want Australia to look like as a country and as a nation.

As a representative of our civil society, Baptistcare seeks a just and fair society. Our universal health care system is one of the greatest contributors towards achieving that goal.

In 2012-13 one-third of Australia's Medicare visits were incurred by older Australians.<sup>1</sup> Any erosion of the universal system of access to medical services through introducing a co-payment system will discourage people, especially those of limited means and on fixed incomes from seeking appropriate medical support. This will undoubtedly lead to multiple and complex health problems which will cost our medical service more in the longer term.

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<sup>1</sup> Department of Health Annual Medicare Statistics Financial Year 2007-08 to 2012-13

Age and social disadvantage are key determinants of poor health. This has been recognised and acknowledged by many individuals and groups, notably the Australian Human Rights Commission,<sup>2</sup> The National Centre for Social and Economic Modelling (NATSEM)<sup>3</sup> and the World Health Organisation.<sup>4</sup>

While an individual's health needs generally increase as they age, social disadvantage is associated with poorer health at all ages; and with discrimination along gender lines this decision will inevitably entrench that discrimination. In some cases levels of social disadvantage can mean visits to the doctor are postponed or avoided; prescriptions for medicine are not filled or delayed. The same is likely to be true for referrals to diagnostic testing where it is unknown what costs may be incurred.

The survey found some people delayed or did not get some types of medical care due to cost. For example:

- 1 in 16 people had delayed seeing or not seen a GP;
- around 1 in 11 people with a prescription had delayed getting or did not get their medication; and
- around 1 in 10 people referred to a medical specialist had delayed seeing or did not see the specialist.<sup>5</sup>

It needs to be noted that women are more likely to need to access medical assistance than men. A co-payment will be a double charge for women who are already economically disadvantaged in Australia, with the pay gap based on gender averaging around 17% and substantially higher in areas where women traditionally form the bulk of employees, such as the community sector and sales.<sup>6</sup> While women remain the predominant carers of both the young and the elderly informally and as employees, targeting women in this way will further damage the care system.

With around 76% of GP's bulk-billing, the remaining 24% make an upfront payment; we do not need any more barriers for access to medical services. A co-payment may well be the straw that breaks the health of our more vulnerable community beyond repair.

In summary, Baptistcare is of the view that the introduction of any form of co-payment for medical services will radically undermine our universal health system and pose a threat to the wellbeing of most disadvantaged in our community.

Yours faithfully

**Rev'd Dr Lucy Morris**  
**Chief Executive Officer**

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<sup>2</sup> <https://www.humanrights.gov.au/news/speeches/social-determinants-and-health-indigenous-peoples-australia-human-rights-based>

<sup>3</sup> <http://www.natsem.canberra.edu.au/storage/CHA-NATSEM%20Cost%20of%20Inaction.pdf>

<sup>4</sup> [http://www.euro.who.int/\\_\\_data/assets/pdf\\_file/0005/98438/e81384.pdf](http://www.euro.who.int/__data/assets/pdf_file/0005/98438/e81384.pdf)

<sup>5</sup> ABS Media release 30 July 2010 release 93/2010

<sup>6</sup> Workplace Gender Equality Agency Gender pay gap statistics [www.wgea.gov.au](http://www.wgea.gov.au) Feb 2013