ROYAL AUSTRALASIAN COLLEGE OF SURGEONS RACS

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Senator Deborah O'Neill
Chair, Senate Select Committee on Health
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator O'Neill,

Senate Select Committee on Health Inquiry

Thank you for the opportunity to provide a submission to the Committee's inquiry into health policy, administration and expenditure.

As the Committee's interim reports outline, Australia performs strongly across a range of important health indicators compared with other countries; despite the fact total expenditure on Australia's health system is decreasing. The past two Commonwealth budgets have delivered cuts to state hospital funding of more than $57 billion over the next ten years.

RACS welcomes the Commonwealth Government's review of the Medicare Benefits Schedule announced in April 2015, however the existing freeze on rebates until 2018 means that patients will be subjected to higher out of pocket expenses as the cost of providing healthcare increases. This disproportionately affects vulnerable Australians who can least afford the additional costs. It is our position that at a minimum, Medicare reimbursement rates must keep pace with the Wage Price Index.

We are also deeply concerned by changes proposed by private health insurers which will reduce coverage for appropriate care for private patients, as this will only compound pressure on the public health system and overall healthcare costs.

RACS has established a Sustainability in Healthcare Committee to guide its advice to government to ensure standards in healthcare are maintained in a fiscally responsible manner. We would welcome the opportunity to provide evidence at upcoming hearings as required.

Yours sincerely

MR GRAEME CAMPBELL, FRACS
COLLEGE VICE PRESIDENT