# Submission to the Senate Inquiry into the State of Rural, Regional and Remote Medicare Access

**PREPARED FOR: Senate Rural and Regional Affairs and Transport References Committee**
**PREPARED BY: The District Council of Kimba**
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The District Council of Kimba represents a small rural community in regional South Australia where access to quality primary healthcare is critical to the wellbeing and economic resilience of our residents. Our community faces unique challenges related to distance, workforce shortages, and financial sustainability of local healthcare services. We welcome the opportunity to contribute to this inquiry and provide insights into the impacts of current Medicare arrangements on rural Australians.

**1. Impact of 1 November 2025 Medicare Changes on Access to Primary Care**
The recent Medicare changes, including revisions to telehealth funding, have had significant impacts on rural communities. Telehealth remains an essential service for residents who must travel long distances to access general practitioners (GPs) or specialists. However, the new restrictions on certain telehealth items risk reducing accessibility for vulnerable populations, including the elderly, those with chronic conditions, and residents without reliable internet connectivity. Our experience indicates that maintaining flexible telehealth arrangements is crucial for timely and effective primary care, particularly for patients in remote areas where GP shortages persist.

**2. Financial Sustainability of Independently Owned Rural Practices**
Independent rural general practices in our community face ongoing financial pressures under current Medicare funding structures. Small practices operate on narrow margins and rely heavily on a combination of fee-for-service revenue, incentive payments, and government support to remain viable. The increasing administrative burden, coupled with low patient volumes relative to urban clinics, challenges sustainability. Incentives and funding mechanisms should be recalibrated to reflect the higher per-patient costs of operating in rural and remote areas and the necessity of maintaining local, community-embedded services.

**3. Avoidable Emergency Presentations and Preventable Hospital Admissions**
Current Medicare settings contribute, directly and indirectly, to avoidable emergency department presentations and preventable hospital admissions. Barriers to accessing timely primary care—particularly after-hours and urgent care services—often force residents to seek emergency care unnecessarily. Strengthened support for rural general practices, telehealth services, and mixed-team models of care could reduce the burden on hospitals and improve patient outcomes.

**4. Medicare Support for Mixed-Team Models of Care**
Rural communities require integrated, multidisciplinary care teams comprising GPs, nurse practitioners, nurses, allied health professionals, and visiting specialists. Medicare funding, however, often prioritizes GP-led fee-for-service care, limiting support for team-based care models critical in rural areas. Expanding Medicare recognition and remuneration for services delivered by non-GP team members, including chronic disease management, preventive care, and allied health interventions, is essential for sustainable and effective healthcare delivery.

**5. Impacts on Large Corporate Providers vs. Small Community Clinics**
Current Medicare rules and incentives often favour larger corporate providers with scale advantages, undermining the viability of small, locally embedded clinics. Our community values continuity of care and local knowledge, which is difficult for corporate models to replicate. Fair Medicare policies should ensure equitable support for small, independent practices that provide essential care, foster community trust, and contribute to workforce retention in rural areas.

**6. Recommended Reforms for a Fair and Sustainable Rural Medicare System**
To ensure Medicare remains fair, workable, and sustainable for rural, regional, and remote Australians, we recommend:

- **Rural stress-testing of future Medicare changes** to assess impacts on small practices and vulnerable populations.
- **Enhanced telehealth support** for rural and remote residents, including flexibility in eligibility, funding for infrastructure, and support for patient digital literacy.
- **Funding adjustments** that reflect the higher costs of delivering care in low-population, geographically dispersed areas.
- **Expanded Medicare support for mixed-team models** to enable multidisciplinary care, including allied health and nursing services.
- **Targeted incentives for small, community-embedded practices** to maintain local service provision and continuity of care.
- **Support for after-hours and urgent care access**, to reduce avoidable hospital presentations.

**7. Other Matters**

Workforce sustainability remains a critical challenge. Medicare reforms should be coupled with strategies to attract and retain GPs, nurses, and allied health professionals in rural areas, including professional development support, housing, and flexible work arrangements.

**Conclusion**

Our small rural community Council urges the Senate Inquiry to recognise that rural Medicare access is not just a matter of service availability but of fairness, sustainability, and community wellbeing. Policies must reflect the higher costs, workforce challenges, and unique needs of rural Australians to ensure equitable and high-quality healthcare for all.

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