

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2014 - 2015, 2/3 June 2014

Ref No: SQ14-000484

OUTCOME: 4 - Acute Care

Topic: Healthcare Budget

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

Has the Government or the Department looked at the impacts on the long term healthcare budget of reducing access to primary health care, particularly on hospital expenditure

Answer:

Measures announced in the 2014-15 Budget are not expected to reduce access to primary health care. Therefore no effect on hospital expenditure is anticipated. Included in the budget were also a range of initiatives to increase the number of doctors entering general practice.

In order to ensure that the Budget measure does not have a negative impact on the public hospital system, beginning on 1 July 2015 the states and territories will have the option of charging public patients a small contribution for GP-equivalent visits to emergency departments. This measure will prevent the emergence of perverse incentives, whereby patients may seek GP-type care from hospitals in an effort to avoid having to make patient contributions for Medicare-subsidised treatment.

The public hospital patient contribution will not apply to patients who attend a public hospital emergency department with an urgent or life threatening condition, or who are referred there by a GP.