

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2014 - 2015, 2/3 June 2014

Ref No: SQ14-000529

OUTCOME: 3 - Access to Medical and Dental Services

Topic: Changes to Existing Medicare Benefits Schedule Arrangements

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

In addition to the co-payments for out of hospital Medicare services, the Budget includes significant changes to existing MBS arrangements (frozen rebates and Medicare Levy and Private Health Insurance income thresholds) and Medicare Safety Nets. Together these will have an impact on affordability as costs increase, people pay a higher levy as their income is pushed into higher income tiers, and consumers take longer to reach safety net thresholds. Compensatory mechanisms are being eroded at the same time as out of pocket expenses are increasing. Has the government done any modelling to assess the real impact of all the changes on people's ability to access services?

Answer:

No modelling was undertaken on this issue as it is not standard practice to estimate second round effects.

Ref No BE14-103
PDR Number SQ14-000529
Subject Changes to existing MBS arrangements
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Noted

Adviser / Minister

Date