### Attachment A

Committee: CA Legy Committee

## **AUSTRALIAN DOCTOR ARTICLE – 11 MAY 2017**

## RACGP, AMA formed pre-budget pacts with govt

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<u> Tabled Document</u>
Inquiry: 2017-18 Budget Estimates
Date: 29 May 2017
Witness: Senator Watt

The RACGP and AMA entered into pre-budget pacts with the Federal Government, trading a slow end to the Medicare freeze for support of future health reforms.

The deal between the RACGP and Minister for Health Greg Hunt commits the college to supporting the MBS review and encouraging GPs to adopt the online MyHealth Record system.

The text of the AMA agreement differs from that signed by the RACGP, but it declares the AMA's committment to supporting the MyHealth Record system and tightening access to expensive after-hours claims.

Both pacts have been used by the government to justify its controversial decision to delay the end of the rebate freeze, claiming that it is working in "partnership" with doctors.

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Under the RACGP "compact", unveiled on budget night, the college and government agree to wait until 2018 to end the Medicare freeze on GP attendance items.

Rebate indexation will then be lower than CPI, returning to align with the Department of Finance's Wage Price Index.

In the 800-word document, the college pledges:

- To "work constructively with government" on pathology rents.
- To support the Department of Health's moves to offset MBS debts against future payments.
- To allow greater access to the MBS for non-GPs working under supervision.
- To "work with industry stakeholders and support the government's actions" to tighten after-hours funding.

Additional information Seactor Youts ~ 1.52 PM RACGP president Dr Bastian Seidel said the deal had ensured the demise of the pathology cuts as well as the end of the rebate freeze.

"The college signed an agreement with the Minister for Health in the interests of patients and doctors around Australia," he said.

"The agreement is not an end point in itself but a starting point for future discussion and negotiation."

In its "statement of intent", also released on budget night, the AMA agrees:

- To in-principle support for the MBS review.
- To support the Health Care Homes trial "but with full freedom to suggest improvements or variations".
- To push members to use MyHealth Record.
- To tighten access to expensive after-hours payments.
- To work with the government "to support and implement improved compliance arrangements" on pathology rents.

But AMA president Dr Michael Gannon denied that the agreement had been set in stone.

"The AMA has not signed an agreement with the government. There is a shared vision statement, and I'm not being cute to say it is not signed," he told Australian Doctor.

"The minister has a memorandum of understanding with the RACGP, and he has given more money to the RACGP in this budget, but the AMA does not take one red cent from anyone apart from its members."

Dr Gannon said the agreement had not prevented the AMA from criticising the budget.

"I have heard some people quibble about re-indexation and the fact that it is a small amount," he said.

"Yes, it is a small amount for the first year, but over a five-year period, it is substantial."

Dr Gannon said the agreement would give "certainty" to the profession.

"This can be whatever the minister wants it to be; it's a document which is entirely consistent with AMA policy," he said.