

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Supplementary Budget Estimates 2016 - 2017, 19 October 2016

Ref No: SQ16-000397

OUTCOME: 4 - Individual Health Benefits

Topic: GP Items

Type of Question: Hansard Page 32, 19 October 2016

Senator: Polley, Helen

Question:

Senator POLLEY: What were the costs to reindex GP items only? Is the estimate by the Royal College of GPs, of \$150 million a year, about right?

Mr Bowles: I think we would take that on notice.

Mr Stuart: Unfortunately, it is not right.

Senator POLLEY: Can you give us a figure, please?

Mr Stuart: The figure that has been quoted by the RACGP is a one-off one-year figure only, not a four-year figure.

Senator POLLEY: Can you give me the figure, to correct the record, please?

Mr Stuart: It is the reversal of the savings policy.

Mr Bowles: We will take it on notice, to be accurate. The figures that we have always talked about are the forward estimates periods. You cannot just say you will change it for one year, because if you change it for one year you change it for every year so it escalates year on year on year.

Answer:

The Royal Australian College of General Practitioners estimate is incorrect as it does not factor in the compounding effect of annual indexation over the four-year forward budget period.

The Department of Health does not have an agreed Budget costing of this figure for the forward estimates period.