POLICY RECOMMENDATION

National Seniors AUSTRALIA

Increase the Medicare Rebate by 40% for General Practitioner (GP) consultations longer than 20 minutes to reduce out-of-pocket health costs.

Overview

- Almost 80% of older Australians (aged 65 and over) live with at least one chronic health condition, and approximately 28% are managing three or more.

- Arthritis is the most prevalent chronic condition among older people affecting 49% which translates to about 1.8 million individuals.

- Unfortunately, Medicare rebates for GP consultations have failed to keep up with the GP costs, increasing out-of-pocket costs for patients and decreasing the proportion of people who are bulk billed.

- From 1995 to 2022, Medicare Benefits Schedule (MBS) annual average indexation rate was 1.1% compared to Consumer Price Index (CPI) of 2.42.

- The average government cost when a patient visits an emergency department is $692, compared to $89.90 for 20 to 40 minutes with their GP for early diagnosis and preventative care. Investing in primary care interventions for people with chronic health conditions will provide benefits to the budget bottom line, while improving the health and wellbeing of older people.

- Improving Medicare rebates will also benefit people under the age of 65 who are still in the workforce making it easier to find a bulk-billing GP or reducing the out-of-pocket fee GPs charge.

WHAT ARE WE CALLING FOR?

- Medicare rebates for GP consultations longer than 20 minutes should be increased by 40% as recommended by the Royal Australian College of General Practitioners (RACGP). An additional increase should be applied to geographic areas outside major cities – Modified Monash Model (MMM) 3-7. This will help GPs to better support and manage chronic conditions for older Australians, especially those in regional, rural and remote areas.

- Monitoring should be undertaken to identify if any GPs are using the increase to the rebate to unfairly increase their fees.

Budget Impact

- RACGP estimate this will save patients $215.7 million per annum.