



# Australian Health Care Reform Alliance

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## **MEDICARE LOCALS – AHCRA disappointed in AMA approach**

### **Useful vehicles for change but crucial factor is the fuel – not just who is driving.**

‘The Australian Health Care Reform Alliance (AHCRA) is disappointed with the AMA’s announcement opposing the establishment of Medicare Locals, seeking guarantees that GPs would remain leaders of ‘primary care’ and wanting fundholding ruled out” said Tony McBride, Chair of AHCRA. “AHCRA believes these are narrow perspectives on health reform and hopes that the AMA will reconsider its positions to more forward-looking and collaborative ones.”

“We are all agreed that primary health care needs reform and it has the potential to make the most gains for the community. Medicare Locals could potentially be valuable vehicles to enable improvements in the primary health system in each area of Australia.

“However, there are several key factors about their effectiveness – it is not just about who sits on them. On the positive side MLs will undertake primary health care planning, something never done area-by-area before. For the first time we will know where there are gaps (and there are many). The value and powerfulness of this for all providers, governments and the community should not be under-estimated.

On the other hand, Medicare Locals don’t yet have the levers to create change once the gaps are exposed. This is the crucial point. There is a lack of vision about what the system might look like, a lack of policy to guide Medicare Locals towards such a vision, and there has been no funding announcement about new services and service arrangements.

“Compared to this, who is in the driver’s seat is a secondary issue,” said Tony McBride..

AHCRA agrees it is not unimportant. But although AHCRA agrees that GPs are of course central to primary health care and should be central to Medicare Locals, in the 21<sup>st</sup> century they are no longer the only health professionals with expertise in improving consumers’ health – they are part of a team. The leader certainly will be GPs in many cases, but sometimes physiotherapists or psychologists or nurses will have the role. The future of health care is about teamwork, not individual professionals working in layered silos. And so there needs to be a range of professionals, including GPs and consumers on the new organisations.

Lastly AHCRA is disappointed about the AMA’s refusal to consider fundholding. AHCRA believes that ,given the fragmented nature of the current system, a range of funding arrangements other than fee-for-service could provide much better spread of services across Australia, and more flexible, effective and innovative care. AHCRA believes such options need to be explored, but they should not be ruled out in advance. “We don’t think it is the most efficient method to fund schools to send a bill out after every class. Why should we see this as the only way to fund primary health care?” Mr McBride concluded.

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