I have been waiting for a couple of weeks to see what the evidence was that new Health Minister Sussan Ley was going to be an improvement on her unlamented predecessor. After starting with a flourish, and promising wider consultations, it seems nothing has changed. Although she announced that she would '*stand ready to engage, to consult, and to talk to the sector*' the Federal Government seem determined to go ahead with a poorly thought-out new tax which nobody wants or had the opportunity to vote against.

Once again, I think it is worth repeating what my practical objections to the GP 'co-payment' are. I promise I'll be brief.

It adds cost where it can be least afforded

The analysis from public health and welfare experts is clear, as it has been for quite some time. Charging a compulsory co-payment means low-income people will be forced to avoid going to see the doctor. We know they will then be sicker when they eventually seek help, most likely at a hospital Emergency Department. That's way more expensive than a GP visit. We also have abundant evidence that the PBS co-payment leads to irregular filling of scripts (as finances allow) which lowers adherence to medication regimens. If the idea is to target waste in healthcare spending, simply using price to discourage attendance at GPs is the wrong target anyway.

There is no crisis in Medicare sustainability

Articles here on the Conversation and elsewhere have summed this point up. Medicare costs are rising, but they are not out of control compared to similar countries with similar health systems. Costs can be contained more successfully by measures such as targeting medically unnecessary blood tests or x-rays, improving prescribing decisions and removing Medicare subsidies for outdated or ineffective item numbers. All this is routine work for the Minister's Department and public health academics. There are many more ideas for big savings in the system. These people with innovative ideas seem to have been ignored and marginalized by politicians who repeat the 'price signal' and 'must make it sustainable' mantra as if hypnotized.

The time for an effective co-payment has passed

As I have written previously, I was a supporter of a small co-payment a few years ago. I have since changed my mind as bulk-billing rates have increased. I believe the reason for the increase was that general practices responded by creating two distinct business models. On the

one hand, corporatised practice groups took advantage of economies of scale and employed GPs on a revenue-sharing basis, ie the GP bulk-bills and the practice keeps, say 30% of the billings generated to cover costs. On the other hand, individual doctor-owned practices could stay competitive by offering longer appointments and a less pressured environment as long as they charged something like the AMA fee per consultation. Thus, in practice, many quality local practices already charge significant gaps and there is a price signal well and truly in place. I think the general public is aware that good medicine takes time, and conversely, if they want to be bulk-billed, that they have to put up with going somewhere that has business practices that allow them to make money out of the fairly modest amount of money that bulk-billing brings in. In effect, there is already a significant price signal in GP-land, and a Government-mandated one is not needed any more because the market has passed it by.

Despite what it says, the ‘co-payment’ doesn’t mean the Government values GP services

Politicians on both sides can’t seem to make their minds up whether GPs are hard-working and dedicated professionals of the highest standards, or money-grubbing thugs who are only interested in churning through item numbers. They flip-flop as required for their political message of the day. Minister Ley’s comment that ‘We need to value the service our GPs provide’ sits curiously at odds with her decision to stop indexing GP rebates to CPI for the next 3 years.

I don’t think I’m going out on a limb to say that whatever any member of the Federal Government says about valuing GPs, nobody will believe them until they actually start showing they ‘value’ GP services. Actions speak louder than words. You can’t expect the poorest in the community to pony up money they can’t afford when the Health Minister ignores the advice of public health experts about other savings that could be made. By slugging consumers at the point of care as well as freezing rebates, the Government is not giving GPs a pay cut. It’s dramatically shunting cost onto consumers by both imposing a direct cost at the front end and reducing the value of the insurance rebate the GP receives on behalf of their patient. So the taxpayer, having already paid the Medicare levy, has to pay extra straight away for the co-payment, and then more over the next 3 years as the real value of consultations slips even further behind the cost of providing them.

What GPs would really value is being left alone to get on with their jobs instead of being used as punching bags for right-wing think tank drones with chips on their shoulders about average people getting a basic service for free.

So as Sussan Ley settles into the portfolio she inherited in such dire circumstances, there is no sign yet that there will be any genuine consultation beyond simple horse-trading for support of a bad policy. After Minister Dutton frittered away several years as Shadow Health Minister failing to develop a workable health policy for governing, you'd have thought it would only be sensible to consult frankly and widely about innovative policy ideas that could be supported by the coalface healthcare workers who they will affect. Instead, the early signs are the Minister's mind is made up on this, and ongoing 'engagement' and 'consultation' exercises will continue to warrant quote marks around them in future columns.

Michael Vagg does not work for, consult to, own shares in or receive funding from any company or organisation that would benefit from this article, and has no relevant affiliations.

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