



## Minister for Health

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Dear Ms Cornwall,

I hereby respond on behalf of all Coalition Government members and candidates to the Victorian Medicare Action Group's (VMAG) "election questions about Medicare co-payments and hospital funding".

VMAG should but does not name its member organisations. Instead, it disingenuously claims it is an apolitical, informal alliance of interested parties, yet these include unions, necessarily and inextricably linked to the ALP. Sadly, the resulting partisan agenda of VMAG's latest foray into public hospital funding is plain for all to see.

Where was VMAG when Julia Gillard and Tanya Plibersek slashed \$107 million from the established and half spent budgets of Victorian public hospitals in December 2012?

Not to be found. Silent as the grave - and by its silence consenting. Even the genuinely non-partisan members of VMAG must be bemused at its sudden re-awakening with the election of a Coalition Commonwealth Government.

You don't have to take my word for it however. The recently released AIHW Health Expenditure Australia 2012-13 shows that Commonwealth public health funding, under Federal Labor, fell in adjusted terms by 2.4 per cent in 2012-13.

By contrast, the AIHW report found the Victorian Coalition Government had increased state funding for public hospitals to its highest ever nominal level and highest percentage share in a decade. Victorian funding for public hospitals is even higher again in 2014-15, increasing by an average of 5.1%.

The AIHW report also shows Federal Labor's share of recurrent funding for public hospitals fell to 37 per cent in 2012-13, its lowest level since 2002-03.

Federal Labor talked long and loud about the need for the Commonwealth to support hospitals in a 50/50 partnership with the States but when in Government they swung the axe.

Adding insult to injury, Tanya Plibersek personally intervened in 2012 to announce measures to cut more than \$1 billion of support to private health insurance from the Commonwealth health budget.

Instead of advocating for Victoria, Daniel Andrews and state Labor cheered from the sidelines, with the Shadow Minister for Health himself on 15 November 2012 treacherously voting to support the Gillard and Plibersek cuts. Daniel Andrews and Gavin Jennings have never apologised. And during all of this VMAG uttered not a peep.

Now VMAG is once again showing its political colours and trying to bring federal issues into the state election campaign by issuing a series of questions that are both misleading and designed to mislead:

1. Do you support the federal government reducing public hospital funding by \$1.8b?

The plain fact is the Commonwealth honoured its commitment to fund 45% of nationally efficiently priced growth in in-scope public hospital activity under the National Health Reform Agreement in 2014-15 and has indicated it will continue to do so until 2017.

I have communicated to the Commonwealth the Victorian Government's disappointment with proposed public hospital funding arrangements from 2017 and the Victorian Government will continue to advocate strongly for the Commonwealth to contribute proportionately and fairly to the delivery of health services.

2. Do you support a co-payment for patients presenting in hospital emergency departments?

The Victorian Government has announced that it will not introduce a co-payment for services provided in emergency departments. In addition, we will continue to advocate for independent assessment of the impact of the GP co-payment on Victorian health services and, if there is significant cost shifting from Commonwealth-funded primary care to State-funded emergency care, that the Commonwealth compensates Victoria for this impact. However, it is not clear the proposed Commonwealth changes will ever become law.

3. Do you support the \$7 Medicare co-payment for GP services proposed in the federal Budget?

The Victorian Coalition does not support the introduction of new co-payments on primary care.

4. If you support a GP co-payment how do you propose to manage the increased load on emergency departments and community health services in your electorate as a result of patients deferring seeing a doctor early, before they become acutely ill?

The Victorian Coalition does not support the introduction of new co-payments on primary care.

Please publish my response in full, complete and unabridged. Failure to do so would be further and irrefutable proof of a Labor aligned partisan agenda on the part of VMAG.

Yours sincerely



**Hon David Davis MP**  
**Minister for Health**

20 Nov 2016