

Health care in Australia

The Australian Government, through the Department of Health, sets national health policies and subsidises health services provided by State and Territory governments and the private sector. Total expenditure on health by all levels of government and the private sector currently accounts for about 10 per cent of Australia's gross domestic product (2014-2015).

Like other countries, Australia faces growing pressures on health funding because of the ageing of the population, technological changes and increasing patient expectations.

In Australia there are three tiers of government:

(1) The Australian Commonwealth Government funds universal medical services, including general practice services, and pharmaceuticals. It provides financial assistance for public hospitals, residential aged care facilities and home and community care for the aged. It is also the major source of funds for health research, and provides support for training health professionals and financial assistance to tertiary students.

(2) State and Territory governments have primary responsibility under the Constitution for providing health services, including most acute and psychiatric hospital services. The States and Territories also provide a wide range of community and public health services, including school health, dental health, maternal and child health, occupational health, disease control activities and a variety of health inspection functions.

(3) The main health responsibilities of local government are in environmental control such as garbage disposal, clean water, and health inspections. Local government also provides a range of home care and personal preventive services, such as immunisation.

Public sector health financing

A universal system of health insurance, Medicare, was introduced in 1984. It is funded, in part, through a taxation levy of 1.5 per cent of income. Medicare's three main functions are to cover the cost of medical services, pharmaceuticals and public hospital care.

Under Medicare, all permanent Australian residents are entitled to free public hospital care when choosing to be public patients. Doctors who are appointed by the hospitals provide the medical treatment. State and Territory governments provide public hospital services and work closely with the Australian Government and professional bodies to ensure that quality of care and appropriate standards are maintained. Australians may elect to be treated as private patients in public hospitals or to use private hospitals. In the private sector, patients can choose to pay directly for medical costs or use private health insurance.

Medicare also meets the bulk of costs for out-of-hospital medical services, such as general practitioner and specialist consultations, diagnostic imaging and pathology services. The Medicare rebate or benefit is 100 per cent of the Scheduled Fees set by the Australian Government for general practitioner services and 85 per cent for other Medicare services. Many doctors charge more than the standard fee and the patient pays the difference.

Medicare Australia is the agency within the Department of Human Services which is responsible for processing and paying Medicare benefits for approved services. Medicare Australia also pays pharmaceutical benefits under the Pharmaceutical Benefits Scheme, which subsidises an agreed list of prescription drugs.

In both medical and pharmaceutical services, safety net arrangements exist to make sure that patients who need a high level of treatment do not incur significant out-of-pocket expenses.

The Australian Government also subsidises medical, pharmaceutical and hospital services for veterans and war widows under similar schemes administered by the Department of Veterans' Affairs.

The Australian Government provides around two-thirds (68 per cent) of public sector expenditure on health while state, territory and local governments account for around one third (32 per cent).

Non-government health sector financing

Private hospitals provide about a third of all hospital beds in Australia. Private medical practitioners provide most out-of-hospital medical services and perform a large proportion of hospital services alongside salaried doctors. Private practitioners provide most dental services and allied health services such as physiotherapy.

About half of all Australians are covered by private health insurance. Fifty-seven per cent of the population (over 18 years in 2012) is covered by hospital insurance for treatment as a private patient in both public and private hospitals. Almost all (97 per cent) of these also have cover for ancillary, non-medical services provided out-of-hospital such as physiotherapy, dental treatment and the purchase of spectacles. Six per cent of the population is covered for ancillary services only. The federal government is seeking a better balance between public and private sector involvement in the health sector by encouraging people to take out private health insurance, while preserving Medicare as the universal safety net.

Private sector expenditure on health accounts for around one-third of total health expenditure. The majority (almost two-thirds) of this is individuals' out-of-pocket expenses and the remainder is private health, and other, insurance funds' expenditure.

Source: Australian Government Department of Foreign Affairs and Trade, June 2007

The Australian Government Department of Health and Ageing website www.health.gov.au has a section for Health Professionals which contains a comprehensive range of topics relevant for health professionals with topics categorised as: *ageing, education and prevention, conditions and diseases, health products and medicines, healthcare systems, rural health, health priorities, services, ethical issues and gene technology.*

Information on health and medical services provided through **Medicare Australia** can be accessed on <http://www.medicareaustralia.gov.au>. The link to [Health Care Providers](#) leads to extensive information about the medicare system, the Pharmaceutical Benefits System , Australian Childhood Immunisation Register and others.

The Pharmaceutical Benefits System (PBS) aims to improve practitioners' access to information about the PBS and provides a range of education activities and materials for practitioners who regularly prescribe PBS medicines. Education is available on-line and via education co-ordinators in each State. The site contains information on topics such as: explaining non-PBS prescriptions, information on how PBS medicines are listed and writing PBS prescriptions. It can be accessed on-line through www.health.gov.au/pbs

Safety Net is a measure intended to ensure that PBS remains affordable to the community at a time when some very expensive drugs are being added to the scheme. After reaching the safety net threshold, general patients pay for further PBS prescriptions at the concessional co-payment rate and concession card holders are dispensed PBS prescriptions at no further charge for the remainder of that calendar year. In order to access the safety net arrangements, patients need to maintain records of their PBS expenditure on a Prescription Record Form. These are available from all pharmacies.

Australia's health 2016 www.aihw.gov.au/reports

Australia's health 2016 is the sixteenth biennial health report of the Australian Institute of Health and Welfare. It is the nation's authoritative source of information on patterns of health and illness, determinants of health, the supply and use of health services, and health services expenditure. Australia's Health 2016 is an essential reference and information resource for all Australians with an interest in health. It is available in hard copy or on-line.

National Prescribing Service (NPS) www.nps.org.au

The NPS is a member-based organisation providing accurate, balanced, evidence-based information and services to health professionals and the community on Quality Use of Medicines (QUM). To achieve this they work in partnership with GPs, pharmacists, specialists, other health professionals, Government, pharmaceutical industry, consumer organisations and the community. They are independent, non-profit and funded by the Australian Government Department of Health and Ageing.

The Department of Veterans' Affairs www.dva.gov.au is a Commonwealth Government funded department which offers healthcare to war veterans and their families. The Health program exists to promote, improve and maintain health, well-being and independence of the veteran community. The section "Doctors" provides General Practitioners with links to information about health care services for veterans.

The State Health Departments of Health are responsible for ensuring that the people of their state are provided with the best possible health care. The Department monitors the performance of the state public health system and supports the statutory role of the State Minister for Health. Public health organisations include: Area Health Services, the Ambulance Service of that State, and other related bodies.

These organisations plan, deliver and coordinate local health services. They are responsible for providing services such as public and community health, public hospitals, psychiatric hospitals, emergency transport, acute care, rehabilitation, counselling, and many community support programs.

Safe Work Australia <https://www.safeworkaustralia.gov.au/> is a federal government advisory body on workers' compensation in Australia. they coordinate work on national workers' compensation harmonisation initiatives as well as producing national worker's compensation information. Each State is responsible workers' compensation in their jurisdiction and works independently of similar bodies in other states.

Each state's organisation is committed to safe, secure workplaces by working in partnership with the community to achieve safer workplaces, effective recovery, return to work, and security for injured workers. They administer and enforces compliance with occupational health and safety (OHS), injury management, return to work and workers compensation legislation, and manages the workers compensation system.

Every worker who suffers a significant injury must nominate a treating doctor who will liaise with the worker, employer, insurer and other treatment providers to ensure a smooth transition back to work. The worker's general practitioner is usually considered the 'nominated treating doctor' and is responsible for coordinating all aspects of injury treatment and assisting in return-to-work management.

Information regarding a **Health Care Card** issued by Centrelink can be found at www.centrelink.gov.au