



Media Release from General Practice Owners Association

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Shuffling deck chairs won't fix GP funding crisis – GenPro

Changes to the way general practices are funded must not descend into shuffling the deckchairs on the Titanic, says the General Practice Owners Association (GenPro).

“Everyone agrees that the funding model is broken and needs an urgent fix, but it cannot focus solely on reallocation - increasing copayments for some patients while reducing others - because it won’t prevent the GP business model from drowning,” says Dr Angus Chambers, Chair of GenPro.

Dr Chambers' comments follow the Health Minister saying that structural change to the “capitation” or patient-based formula for allocating government support for primary healthcare was under consideration.

“That’s welcome. A review of the 20-year-old funding model is overdue because of changes to patient demand and complexity, and an ageing population. But the end result must not be a trivial activity which ignores the most obvious problem: the size of the total funding bucket must be increased rather than just reallocated,” Dr Chambers says.

The government will this year put \$1.24 billion toward capitation funding and a further \$218 million in flexible funding for general practices, a total of \$1.46 billion, less than five percent of the total \$30 billion health budget.

“An urgent cash injection is needed. GenPro acknowledges that government finances are under pressure but general practice is in crisis. A GenPro survey showed that nine out of 10 practices have or will soon increase their charges, 70 percent are in a worse financial position than last year, and 60 percent have GP vacancies.

“While the Minister is trumpeting more training opportunities for GPs and a potential third medical school, these alone will not fix problems caused by a 20-year deterioration in funding for general practice. The extra training places weren’t filled - there’s no point offering more places if doctors don’t want to take them up. And a third medical school won’t help for 10 years, which is too late,” Dr Chambers says.

GenPro will make these points clearly to the Minister at a scheduled meeting on September 12, and the Health Commissioner the following day, and remains open to discussing effective solutions for now and in the long term, Dr Chambers said.

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