Foreign doctors blow out Medicare



Overseas-trained GPs are being targeted for amid concerns about a rampant increase in Medicare billing.

• EXCLUSIVE

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Overseas-trained GPs are being targeted by authorities in an unprecedented bid to reduce over-servicing and enforce professional standards, amid concerns about a rampant increase in Medicare billing.

As the nation's doctor shortage comes to an end, the number of imported GPs is set to be slashed by more than 1000 in coming years as separate regulatory and reform efforts take hold.

Some overseas-trained doctors will be required to leave the country, others will be denied entry through a secretive visa overhaul.

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Central to the latest intervention is a Health Department analysis that suggests the average government billing of an overseas-trained doctor — across Medicare, the Pharmaceutical Benefits Scheme and referrals — tripled in three years.

Many overseas-trained GPs now work in cities, and there has long been speculation that some clinics rely on them to maximise patient throughput with the lowest overhead costs.

In the budget, the government announced as-yet-unspecified plans to reduce the number of visas for overseas-trained GPs working in metropolitan areas by 200 a year from next January for four years. The measure was forecast to save \$415.5 million, predicated on the assumption that other doctors would not cover the equivalent Medicare services or subsidised drugs and only half as many referrals.

The average government billing for an overseas-trained doctor in 2016 was \$486,398.

The analysis found that reducing the number of doctors would keep expenditure down. For every doctor not given a visa, the government would save more than \$400,000 a year in rebates and subsidies. The department is now redefining what it means to have an area of workforce shortage — a definition used to fast-track visas for overseas-trained doctors. It has asked the Department of Home Affairs to make complementary visa changes to enforce the landmark shift.

"Supplier-driven costs are reduced by slowing down the rate of growth of doctors in over-serviced metropolitan and outer-metropolitan areas," says a departmental briefing note - obtained under Freedom of Information laws.

"Unnecessary growth in medical services (over-servicing) is being experienced in these areas due to an increased supply of doctors rather than genuine increases in patients' needs or services."

The Weekend Australian asked the Health Department and ministers Greg Hunt and Bridget McKenzie this week to define over-servicing and list the areas likely to be affected. They did not comment nor respond to requests to clarify the documents.

Labor health spokeswoman Catherine King last night called on Scott Morrison to justify the changes. "This is a huge cut to services: \$415m is equal to 11 million standard GP visits," Ms King said.

"That's 11 million services Australians won't get."

While overseas-trained doctors have long propped up the system, filling vacancies where there are often no willing or available Australian-trained doctors, this has not always - addressed persistent maldistribution. Rather than exclusively serving rural and remote areas, 74 per cent of overseas-trained doctors have worked in primary healthcare in cities, according to the briefing note. "Over the past decade, the rate of increase in the GP numbers has been three times more than the population growth rate," it states.

"(The) majority of the growth in GPs, overseas-trained doctors in particular, has been concentrated in the metropolitan areas."

The budget included measures to direct more Australian medical graduates into regional and remote areas. Changes to the method of determining areas of workforce shortage — normally calculated on doctor-to-patient ratios — are tipped to take into account more socio-economic and demographic factors, including whether people can easily travel for care.

The Weekend Australian asked the Department of Home Affairs for further detail of the visa changes. The following day, it confirmed it would make changes, but did not answer specific questions. After three days, Home Affairs said the Health Department would be better placed to respond to the questions, which included what visa changes Home Affairs would make. The Health Department has previously recommended all health occupations be removed from the skilled migration lists, but it was overruled.

The unprecedented move on overseas-trained doctors coincides with some visa-holders who have worked in Australia for several years being challenged on whether they meet the standards enforced by the Medical Board.

Under the National Registration and Accreditation Scheme, which started in 2010, visaholders can be given limited registration and have it renewed three times. Then they must make a new application for registration and meet the standard.

The Weekend Australian is aware some doctors have delayed taking the steps to meet the standard, or been given limited opportunity to do so by their employer, and now face having to leave the country.

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