

THE HON NICOLA ROXON MP

Minister for Health and Ageing

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topics: health budget – medicare locals, Gp super clinics and infrastructure spending, e-health, pbs and pharmacy saves

DAVID SPEERS: There are a lot of savings measures here tonight and some more spending on health, to top up what's already been announced by the Government in its health and hospital reform.

To tell us more about that, the Health Minister, Nicola Roxon, joins us now. Minister, thanks for your time tonight.

NICOLA ROXON: Pleasure.

DAVID SPEERS: I want to go through some of the new announcements, first of all. GP local networks: what will they mean?

NICOLA ROXON: We've announced tonight that we'll establish *Medicare Locals*. What they are going to do is connect all of the separate GPs in a particular region, connect them with dietitians, connect them with aged care providers, and make sure that they talk to each other and they can say, look, in this region no one's open on Sunday, what do you do if you need a GP on Sunday? And then we'll actually be able to coordinate a roster, perhaps employ someone to do that Sunday work and make sure that we're really bolstering the services that GPs can...

DAVID SPEERS: Will that be the same local network that runs the hospitals or a separate one?

NICOLA ROXON: No, what we have done to start with is we think that we actually need to really boost the strength of the primary care sector. At the moment they don't talk to each other, they're not organised in any sort of effective way. My fear is if you combined them immediately with the local hospital networks, that really they'd be swallowed up by the very expensive and well-organised and extremely demanding hospital services and we'd never really get the change which is to try to do more outside hospitals.

DAVID SPEERS: But do you end up with more bureaucracy as a result?

NICOLA ROXON: No. We're using the existing Divisions of General Practice to turn into these new *Medicare Locals*. There'll be a much smaller number of them. I do hope some time much further into the future, when the primary care networks are better established, that you might be able to combine them. So we're going to try and have common boundaries, there'll probably be two local hospital networks within each Medicare Local but really there's a lot of work to be done in improving what we do outside hospitals. We haven't been as good in Australia at that as in other areas so we think we need to make that investment first but make sure it's designed so you can link them together into the future.

DAVID SPEERS: You've announced more GP Super Clinics tonight as well but you haven't delivered the ones that were promised before the last election.

NICOLA ROXON: Well, we're delivering the ones that we promised. It was a five...

DAVID SPEERS: It's just taking longer.

NICOLA ROXON: It was a five-year commitment. We've got 11 of them already providing services, three are fully operational, one I know you visited in Ballan. People like the concept and understand what it can deliver but if you want to do it to suit a local community it takes time for them to be established.

DAVID SPEERS: So when will these new ones be finished?

NICOLA ROXON: These new ones will come online over the four-year period to come, so - but what will be able to be quickly - more quickly - online, is the investment that we're offering for existing general practices to expand their services, maybe build some extra facilities so they can train some young GPs or other health professionals. Money that might expand they can have an after-hours clinic. We've really seen a drop-off in the number of GPs who will do that. So that can come online very quickly. We'll have rounds of applications for that this year and next year and we would expect most of them to be operational pretty quickly.

BRIDIE BARRY: Just looking at the e-health spending as well, that was something that business had certainly been looking for. Just explain for us how this will work and I mean, does it need high speed broadband to really work and do Australians want to have e-medical records?

NICOLA ROXON: I think a lot of the community is not yet fully comfortable with the idea but when we can say to your viewers and others that you'll be able to look up your own health records the same way you could access your banking details online, that you'll be able to look up when your child had their vaccination and whether you need to have another one, that's a great relief to people.

DAVID SPEERS: But who else can see that stuff?

NICOLA ROXON: Well, it's going to be set up so that it's entirely patient-controlled and the patient will determine who can see information. The government is not going to have a big warehouse of information.

DAVID SPEERS: So there's no one sitting in a Medicare office who can...

NICOLA ROXON: No.

DAVID SPEERS: ...look at it.

NICOLA ROXON: No, the GP will still have their personal record for you. The pharmacist will have their information. What the Commonwealth will pay for is, if you like, building the spine of the system so that when you give permission you can actually download that information from all of the different health professionals. It sounds technically complicated and it's why it costs a bit of money but it is actually working effectively in other countries.

DAVID SPEERS: And it provides emergency information too.

NICOLA ROXON: Yes, part of this money is to say that you'll have on a front page of any record information that you'd be happy for anyone to see in an emergency, you know, you're allergic to penicillin, you're a diabetic, you're on this particular medication, and I think that's very attractive to people as well.

DAVID SPEERS: One of the big savings measures in the Budget tonight is in your area, the Pharmaceutical Benefits Scheme. All up here I think it's about \$2.5 billion in savings. You've been negotiating a new deal with the drug companies over the last couple of months, as I understand. I know it's quite complex but if you can break down for us, how have you been able to save \$2.5 billion here?

NICOLA ROXON: Well, it's been a mammoth effort from the Government but also a very cooperative effort from the pharmaceutical industry and from the pharmacists. That's a combined saving both from Community Pharmacy, and the agreement we've struck with them, and the pharmaceutical companies.

Both industries do get a lot of public money to do their work and they provide good services and we went to them early on and said we are in this fiscal situation where we need significant savings, in return they get stability for the next five years, which is an important thing for any industry, and so we negotiated hard to do that.

We pay higher prices in some instances for some pharmaceuticals in Australia so we were able to negotiate the way that we can gradually bring that price down and what it means is taxpayers get a better deal, it's sustainable into the future and we've been able to find funding to cover our new health investment so a pretty good win for everyone and done very cooperatively.

DAVID SPEERS: Health Minister Nicola Roxon, we'll have to leave it there but thank you for talking us through all of that tonight.

NICOLA ROXON: Pleasure.