



Senator
Steve Fielding
Leader of Family First



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Second Reading Speech

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009

9 September 2009

(9:37 AM) —The extended Medicare safety net was introduced in 2004 as part of the Howard government's MedicarePlus package. It was introduced to protect Australians from high out-of-pocket expenses for medical services provided out of hospital, particularly for those with complex, high healthcare needs. Under the current system, once a patient has reached the annual threshold, Medicare will pay 80 per cent of future out-of-pocket costs for out-of-hospital care. These thresholds are by no means low. As of 1 January 2009, patients must incur \$1,111 before they will qualify for the Medicare safety net, and concession card holders or recipients of family tax benefit part A will only qualify after incurring \$555 in out-of-pocket costs.

The Medicare safety net has provided much relief to many Australians, including many of our senior citizens. It is accessed by almost one million Australians each year and has succeeded in keeping medical bills at somewhat more manageable levels for many people. Importantly, the Medicare safety net is also a policy measure which until recently had attracted bipartisan support, and it was publicly supported by the Prime Minister in the lead-up to the 2007 election. In September 2007, Mr Rudd stated: 'A Rudd Labor government will retain the Medicare safety net, as Australian working families have come to rely on it for help with their family budgets.' The health minister, Nicola Roxon, also confirmed this policy, stating:

We are setting out a comprehensive plan and the safety net is part of that plan that we are committed to and we will be running on for the election.

Isn't it funny that now, not even two years after the election, the Rudd government is suddenly renegeing on its core promise to keep the Medicare safety net roughly the same?

The changes contained in this bill, the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009, have the same effect as putting a cap on key items under the Medicare safety net. This will have serious implications for thousands of Australians. In particular, this is destined to affect the most basic dream of many Australians: having a family. The government proposed changes to IVF that would see the cost involved in

having children through IVF increase enormously. Under the changes they originally proposed to the safety net, mums and dads were to be out of pocket by about \$3,000. This is hardly consistent with the Rudd government's commitment to helping working families. If the government are willing to resort to taxing mums, they have clearly lost touch with Australians.

Infertility is a medical problem and it is the only medical problem where assistance is not available from a public hospital. Over 11,000 babies are born to Australian families each year through assisted reproductive treatments. That means that, on average, one child in every classroom around the country is now conceived through IVF. Doesn't that just demonstrate how vital IVF is for families? The government's budget proposal would have jeopardised those Australians who rely on this treatment to have children. This treatment is their only hope. Having children is the greatest blessing of life. It should not be reserved for only the rich. Birth rates are still below replacement levels and families who have children are actually helping Australia. We have an ageing population and that means we have a decreasing number of full-time workers to support our ageing population.

The government, however, wanted to take a short-term approach, making it less affordable to have children, without a single thought for the consequences that this might have had for the future. It was willing to shatter the dream of a family for many Australians without giving a thought to the consequences it would have had for our nation. Thankfully, the government have realised they need a more commonsense approach. The government, under pressure, have done a bit of a backflip, but are we sure that the changes they have made are in fact fair and reasonable?

As a result of the amendment flagged by Family First as well as the amendment put forward jointly by Family First, the coalition and Senator Xenophon, the government has backed down from its original proposal. Just like it had to do with the proposed changes to Youth Allowance and its plan to ban home births, the government has been forced into yet another embarrassing backflip. The government is getting so good at doing backflips maybe it should consider joining the Australian gymnastics team for the next Olympics. Perhaps if the Rudd government took a more conciliatory approach upfront, instead of arrogantly trying to steamroll bad policy through the Senate, it would not need to keep changing its policies on the run.

To be given only a few hours to consider the changes to the legislation shows a basic disregard for the Senate. We have had only a few short hours to look at the changes, which shows a basic disregard for the Senate. We had a briefing this morning—and we are thankful for that—and we have asked the minister for a letter of assurance about the draft regulations for IVF, that they will remain the same for the rest of the government's term. But we have had only a few short hours to actually see whether what they are saying about the impacts makes sense; are they fair and reasonable? It certainly shows a disregard for the Senate to put this before us at the last minute to see what they are proposing. Are there further unintended consequences in the changes to the regulations?

Family First believes a clever nation would make it easier for Australians to have kids, not harder.