

30 January 2020

## 2020-21 Pre-Budget Submission

A key commitment of the Federal Government in the 2019 Budget was to strengthen access to quality healthcare for Australians. The Federal Government's focus on rural and regional Australia and the shortage of GP workforce in those areas has resulted in the Stronger Rural Health Strategy (SRHS). To address those access issues SRHS diverts overseas trained doctors to rural and regional areas and away from outer metropolitan areas which are not considered to be priority areas. As a direct result of the SRHS it is now increasingly difficult to recruit doctors in fast growing outer metropolitan urban areas, such as Greater Western Sydney and outer Melbourne. This means that Australians in outer metropolitan areas are finding it difficult to access primary healthcare as they cannot access GP services when they need them.

New research shows Australia is heading for a significant undersupply of General Practitioners by 2030. This is in direct contrast to the projected outcomes of the Federal Government's SRHS which states that without managing the growth of locally trained medical graduates and high-level supply of overseas trained doctors, "Australia faces a potential oversupply of around 7,000 medical practitioners by 2030."

The Deloitte Access Economics 'General Practitioner Workforce Report 2019', issued in December 2019, found that under current policy settings, there is projected to be a shortfall of 9,298 full-time GPs in Australia by 2030. 7,535 of these will be in urban areas or 31.7% by 2030. This is not only contrary to the Federal Government's ultimate policy objective of strengthening access to quality healthcare but indicates a worsening of the current situation for outer metropolitan communities in particular.

This important issue needs to be addressed now before it impacts the health and productivity of Australians, particularly those living in the outer metropolitan areas. Given the unintended consequences of the SRHS there needs to be the right policy settings and incentives in place to encourage doctors to practice in areas of unmet need, and ensure the successful delivery of primary care, preventative health, chronic disease management and mental health services.

### **Our recommendation is to:**

- 1. Reinstate the previous District of Workforce Shortage maps that ensured that overseas trained doctors were able to practice where they were needed most and will immediately address GP workforce shortages in outer metropolitan areas; or**
- 2. Reconfigure the Distribution Priority Areas map and re designate and classify outer metropolitan areas as a priority area; and**
- 3. Over the medium to long term, create better incentives to increase GP registrar enrolments – particularly in outer metropolitan urban areas – to deliver better geographical alignment of the GP workforce to meet demand.**



In order for the Australian community to be healthy, the number of new general practitioners entering the workforce must keep pace with the increasing demand for healthcare services. One of the major levers determining the supply of the GP workforce is the number of overseas trained doctors permitted to work in outer metropolitan urban areas.

The limitation of and diversion of overseas trained doctors to rural, remote and regional areas to the exclusion of outer metropolitan urban areas will have unintended consequences for patients' health and access to healthcare in those areas. The Deloitte Access Economics Report found that:

- "While the Stronger Rural Health Strategy (SRHS) policies will result in a smaller deficit of supply in regional areas, the SRHS restrictions to the supply of overseas trained doctors (OTDs) in urban areas will exacerbate the urban supply deficit. Additional action is needed to increase the supply of GPs, particularly in urban areas." (Page iv)
- "The forecasting undertaken for this report has identified that both urban and rural areas will become progressively undersupplied over the ten years to 2030. Implementation of the SRHS policy to restrict OTD practising in urban areas will exacerbate the underlying supply shortfall in these areas." (Page iii)

In addition, the Report found that by 2030 the projected deficit of medical practitioners was in fact more pronounced and more extreme in urban areas compared to regional areas.

Cornerstone Health's purpose is to increase access to quality primary health care for *a//* Australians. This is achieved by establishing large modern primary healthcare facilities offering GP services that are available 365 days a year from 7am to 10pm and all GP services are Medicare bulk-billed. Our medical centres are located in outer metropolitan areas where the need for healthcare services is greatest (e.g. Penrith, Western Sydney) and new fast growing areas such as Marsden Park (North West Sydney), Cranbourne (South East Melbourne) and Loganholme (South East Brisbane). These new suburbs are homes and communities to predominantly young families whose general practice healthcare needs are great. These young families represent the Australian future and investment in their healthcare needs is important.

For example – our Marsden Park medical centre, in the north west suburbs of Sydney was opened in 2017 and already services 15,000 patients per month. We are doubling the capacity of this facility to meet demand, however recruitment of doctors to the area is a significant challenge.

It is critical that fast growing and outer suburban areas have access to quality primary care, reducing demand on the public hospital system by delivering preventative health, chronic disease management, mental health services and after-hours care.

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