Australian Medical Association

Pre-Budget Submission 2017-18

AMA

Health – the best investment that governments can make

INTRODUCTION

Health Funding – Invest Now, Profit Later

The Mid-Year Economic and Fiscal Outlook (MYEFO) statement in December confirmed the Government's desire to get the Budget back to surplus as soon as it possibly can.

The AMA agrees with and supports Budget responsibility. But we also believe that savings must be made in areas that do not directly negatively affect the health and wellbeing of Australian families. Health must be seen as an investment, not a cost or a Budget saving.

We agree that there are greater efficiencies to be made in the health system and in the Health budget, but any changes must be undertaken with close consultation with the medical profession, and with close consideration of any impact on patients, especially the most vulnerable – the poor, the elderly, working families with young children, and the chronically ill.

There is currently a lot of work being undertaken in this area with reviews of the Medicare Benefits Schedule, Prostheses List, and Private Health Insurance.

And no doubt Health, Finance, and Treasury bureaucrats are going over the health programs with a fine tooth comb looking for savings to offer up in the May Budget.

But the AMA urges caution – and care. The Government must not make long-term cuts for short-term gain. Patients will lose out.

In this Pre-Budget Submission, the AMA is urging the Government to invest strategically in key areas of health that will deliver great benefits – in economic terms and with health outcomes – over time.

Primary care and prevention are areas where the Government can and should make greater investment. General practice, in particular, is cost-effective and proven to keep people well and away from more expensive hospital care.

The Government must also fulfil its responsibilities – along with the States and Territories – to properly fund our public hospitals. So too, the Government must deliver on its commitments to improve the health of Indigenous Australians.

When looking to improve the Budget bottom line, governments have in the past looked at increasing the Medicare Levy. If the Turnbull Government considers this move, the AMA urges that any rise in the Levy does not hurt the most needy and disadvantaged, and that revenue raised remains within the Health portfolio. Increasing the Medicare Levy would raise only a fraction of the total Commonwealth Health budget.

In this submission, the AMA provides the Government with affordable, targeted, and proven policies that will contribute to a much better Budget bottom line in coming years. More importantly, the AMA's recommendations will deliver a healthier and more productive population to drive further savings into the future.

Health is the best investment that governments can make.

Dr Michael Gannon
President

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1

MEDICARE INDEXATION FREEZE

The previous Labor Government first froze Medicare indexation for nine months in 2013. The Coalition Government's initial decision not to index the MBS for four years from 1 July 2014 until 1 July 2018 was extended by two more years to 2020 in the 2016-17 Budget, further increasing the gap between patients' Medicare rebates and medical fees.

There will be a compounding lasting legacy, on top of the Government's estimated savings of $2.8 billion over the six years of the freeze.

This six year indexation halt, including its impact on the cost of private hospital treatment, is not well understood. Our already overstretched public hospitals will continue to burst at the seams, putting further strain on the public health system.

The freeze on MBS indexation will create a two-tier health system, where those who can afford to pay for their medical treatment receive the best care and those who cannot are forced to delay their treatment or avoid it altogether, further exacerbating their condition, or worse, creating a health crisis with further pressure on public hospitals.

This Government's decision to retain and extend its Medicare freeze is a regressive one that is hitting the most ill – especially those with chronic illness who need regular access to medical services, and the elderly and vulnerable patients in our community who already have lower levels of access to health services.

Out-of-pocket costs for patients who need to pay to see their GP, for example, are growing at a record rate, and have doubled in the past 10 years. Out-of-pocket costs for a specialist consultation rose by 8.3 per cent between 2014-15 and 2015-16. While patients' out-of-pocket costs continue to widen, the Medicare rebates become less relative to medical costs and are placed on the endangered list, at high risk of being lost forever.

AMA POSITION

The AMA calls on the Government to:

- **immediately reverse the Medicare indexation freeze; and**
- **lift future indexation of patient rebates to levels that cover the true cost of providing high quality health services.**

2 PUBLIC HOSPITALS

Public hospitals are a critical part of our health system. They are facing a funding crisis that is rapidly eroding their capacity to provide essential services to the public.

We have been waiting almost two years to have the Commonwealth's unilateral cuts to public hospital funding in the 2014-15 Budget reversed. Now we have an inadequate short-term fix and a further three years to wait before governments deliver a long-term solution to the ongoing need for sufficient and certain public hospital funding.

The additional Commonwealth funding announced at COAG in April 2016 of $2.9 billion over three years is welcome, but inadequate. Public hospital funding under the original National Health Reform Agreement (NHRA) would have delivered $7.9 billion in additional funding to June 2020.

Sensible initiatives to support and improve safety and quality in public hospitals are welcome, but penalising hospitals financially for not meeting safety and quality standards is counterproductive. Inadequate resource levels are a key factor in poor safety and quality, and heading down the path of financial penalties will only lead to worse outcomes.

AMA POSITION

The AMA calls on the Government to:

- **ensure that Commonwealth funding for public hospitals must, at a minimum, include an additional supplement for the period to 2020, having regard to the funding level that was planned to apply under the NHRA; and**
- **support safety and quality measures with additional funding, not financial penalties that reduce the capacity of hospitals to deliver safe, quality care.**

3 HEALTH CARE HOME

GPs are increasingly treating older patients with more complex needs. The management of chronic and complex disease is a key part of general practice, comprising more than a third of all problems managed. Ensuring patients can access high quality GP care can help keep them out of hospital and enjoy a better quality of life.

A stronger general practice is the key to better health outcomes for these patients. The Government's Health Care Home trial for patients with chronic and complex disease aims to strengthen the linkage between patients, their usual general practice and a nominated general practitioner.

While the AMA has supported the vision for a Health Care Home, the Government has provided no new funding to support the trial. Existing Medicare funding, including Chronic Disease items, is simply being redirected, and GPs will be asked to deliver enhanced care for patients with no additional financial support.

This contrasts with successful initiatives like the Department of Veterans' Affairs (DVA) Coordinated Veterans Care (CVC) program that provides significant additional funding support to GPs to provide comprehensive planned and coordinated care to veterans who are at risk of unplanned hospitalisation - with the support of a practice nurse or community nurse.

It is also clear that much work still needs to be done before the trial is ready to proceed, with key details and resources not yet available. This, along with inadequate funding, undermines the potential for the trial to succeed – meaning that patients will not be able to access the improved care they deserve in the community, leaving them at greater risk of hospitalisation.

AMA POSITION

The AMA calls on the Government to:

- **provide additional funding for the Health Care Home trial, using the DVA CVC program as the basis to calculate how much extra money is required.**

4 MEDICARE REVIEWS

The AMA supports an MBS system that reflects contemporary best practice – one that provides for the innovations and improvements that have been made in medicine, and the opportunities that technical advancements can offer. It must be recognised that the MBS is a payment mechanism, and should not be distorted as a tool to set clinical practice.

The AMA agrees with a systematic review of the MBS – provided it involves genuine consultation with the broad medical profession throughout the full lifespan of the review. This includes consultation and feedback on proposed implementation plans and consideration of the overall impacts on health funding.

The AMA continues to call on Government to ensure that the MBS Taskforce listens carefully to clinicians who operate at the 'coal face' of health care delivery, and to better understand how changes to the MBS practically impact medical practice.

We call on the Government to ensure a robust and transparent process is in place so that decisions taken in the review do not have unintended consequences for patients, and that the MBS review does not become a mechanism for shaping the scope of practice. When decisions are made without consistency of clinical consultation, patients suffer.

A sustainable MBS supports holistic patient care, encourages prevention, prioritises quality of life, and promotes longevity. A review that leads to arbitrary cost-cutting, or diverts any savings from services to the budget bottom line, will therefore not be supported.

AMA POSITION

The AMA calls on the Government to:

- **ensure that clinicians continue to be consulted throughout the entirety of the MBS review, including in policy implementation and changes to the MBS;**
- **ensure that the concerns of clinicians working at the front line with regard to proposed changes are understood and genuine efforts made to address these concerns; and**
- **use the review as the basis for improving, modernising, supporting innovation, and investing in the MBS, not as a budget savings measure.**

5 MEDICARE LEVY

Spending wisely on improving health services is an investment, not a cost. Good health, through good health care, is essential for workforce and social participation. It remains a deep disappointment that in recent years we have seen short-sighted reductions in needed funding for hospitals, a freeze on MBS rebates, and cuts to aged care, dental and pathology, to name but a few.

From time to time, there is comment and speculation that a potential source of revenue for health is an increase to the Medicare Levy.

Australians have a general understanding that a small amount of their income tax is currently levied to meet some health care costs through the Medicare Levy. Australians have also shown they are willing to consider increasing the Medicare Levy for specific purposes. In 2014 the Medicare Levy was increased by 0.5 per cent to help fund the NDIS.

It is important to recognise that while the Medicare Levy contributes critical funding to the health system, it does not fund the health system in its entirety. It is only one component of a broader health funding system.

If governments are considering increasing the Medicare Levy, it is critical that all funds go directly back into the health system.

It is equally important to understand that any increase in the Medicare Levy does not absolve the governments from the critical need to continue to reinvest in Australia's health, including lifting the MBS freeze. It must not change the need for states and territories to continue investing in public hospitals, nor should it impact on the value case and viability for private health insurance.

While an increase in the Medicare Levy would assist in injecting much needed funds into the health system, it is by no means a solution to our total health funding needs, which still need to be addressed. Based on the NDIS increase to the Medicare Levy (Budget papers, 2013-14), a similar percentage increase for health spending could provide funding of around $4-5 billion pa.

This is a significant amount, but it would need to be kept in perspective: with total Commonwealth expenditure on health of up to $70 billion pa, it would represent around seven per cent only of Commonwealth health expenditure.

AMA POSITION

The AMA calls on the Government to acknowledge that if any increase to the Medicare Levy is considered, it should:

- **commit to ensuring that every dollar from any increase in the Medicare Levy go straight back into the health system for direct patient care (through MBS rebates and public hospital funding);**
- **acknowledge that an increase in the Medicare Levy would not solve the overall health funding crisis; and**
- **acknowledge that health funding needs to be increased, not continually subjected to cuts.**

6 PATHOLOGY

Pathology services in Australia are among the highest quality and the most accessible in the world. However, Government funding cuts will impact on the quality, accessibility, affordability, and safety of pathology services.

Pathology services provide overall savings to the health care system and the general economy from early diagnosis, intervention, and the monitoring of chronic disease. Pathology services are a critical element in preventing much higher costs in acute care from undiagnosed disease and illness.

However, essential support for these cost-effective services is eroding. Government rebates for pathology services have not been indexed in more than two decades and the Government, while delaying the measure in MYEFO, is still committed to removing bulk billing incentives that help the pathology sector minimise out-of-pocket costs for patients.

While the Government has made a commitment it will not change the Pathology Services Table for the next three years 'without consultation and agreement with the [pathology] sector', this commitment excludes cuts arising from the MBS review. According to the Government's own policy, further cuts to pathology services are likely still looming.

It is also important that a high quality pathologist and pathology-related workforce should be supported by appropriate Government policies and funding arrangements. Ongoing training and development of the existing workforce, and investment in a future workforce, are vital to sustaining high quality and diverse pathology services.

For example, a lack of Government planning means that changes to the cervical cancer screening program, scheduled to start this year, will have a significant impact on the pathology sector's ability to retain the highly skilled professionals needed to ensure women receive accurate and timely test results.

PATHOLOGY

AMA POSITION

The AMA supports Government funding arrangements for pathology services that enhance management of patients and improve patient outcomes; provide long-term certainty for pathology providers; support high levels of access and quality services for patients and treating doctors, including in rural and remote areas; and support high quality training, research, and development activities.

The AMA calls on the Government to adequately support pathology services through:

- **realistic reimbursement of pathology services; and**
- **investment in a sustainable pathology workforce.**

7 PRIVATE HEALTH INSURANCE

The private health sector is a large contributor to the health system. In many areas of health care, the private system is more efficient. In Australia, the public and private systems work together as a part of a health system that provides universal access for patients to affordable health care. The public system relies on a strong and innovative private health system.

Affordability of private health insurance is important to consumers and the private health insurance rebate has prevented participation from declining sharply. However, the current private health insurance policy offerings, coupled with low benefits that result from the freeze on Medicare fees, and the confusion inherent in a very complex system, is undermining the value of private health care.

Should the Government fail to stem the current tide of consumers downgrading their insurance cover, additional pressure will be placed on public hospitals that are already struggling to meet ever growing demand.

AMA POSITION

The AMA calls on the Government to:

- **maintain the affordability of private health insurance through the Private Health Insurance rebate;**
- **remove 'junk' policies, which are designed only to avoid the Medicare levy surcharge, from the market;**
- **maintain community rating, which is essential to the delicate balance between public and private hospital sectors in Australia;**
- **allow consumers to purchase a policy with easy-to-understand and standardised terminology. Cover should not change indiscriminately; and**
- **ensure that commissions from the sales of insurance products by third party comparator sites are made transparent.**

8

MEDICAL INDEMNITY – UNDERPINNING AFFORDABLE HEALTH CARE

Medical practitioners are required to hold medical indemnity insurance in order to practise medicine.

Following the medical indemnity crisis in the early 2000s, the AMA was instrumental in working with Government to develop a long-term solution to provide stable, affordable indemnity insurance to doctors.

Since the creation of the Indemnity Insurance Fund (IIF), we have seen the medical indemnity industry operate in a reliable and predictable way.

This is critical - an affordable and stable indemnity insurance system supports patients' access to relevant medical services. It allows doctors to focus on what they do best – caring for patients.

Any changes that lead to an increase in indemnity premiums will negatively affect patients and doctors by directly increasing practice costs.

Doctors are already finding that they can no longer bulk bill because of the inadequacy of the MBS. We cannot allow further costs to be pushed on to doctors and, by extension, patients.

The AMA is therefore deeply concerned about changes made by the Government in the MYEFO. These changes start to unpick parts of the IIF, and were made without consultation with the AMA, or insurers. The policy change reduces the level of funding support provided by the Government to insurers.

As a result of this surprise announcement, some insurers have already announced they intend to recoup these lost funds by increasing premiums levied on doctors.

The Government must work urgently with insurers to ensure that any changes, including those from MYEFO, do not result in increased premiums to doctors – as many doctors will be forced to pass on these costs to patients.

AMA POSITION

The AMA calls on the Government to:

- **guarantee that any changes made to the scheme between Government and the insurers will not result in the unintended consequence of doctors and patients wearing the cost;**
- **halt the proposed changes announced in MYEFO until the Government consults with the AMA and with insurers; and**
- **ensure that any future changes to the Government's indemnity initatives are made as part of the review announced in MYEFO, and in conjunction with the COAG work relating to the National Disability Insurance Scheme (NDIS) and the National Injury Insurance Scheme (NIIS), which has been under development for a number of years.**

9 MEDICAL CARE FOR PALLIATIVE CARE AND AGED CARE PATIENTS

The complexity of multisystem medical disorders that afflict older people who are living at home, in a Residential Aged Care Facility, or in palliative care, warrant the regular attention of medical practitioners and quality nursing care.

Australia's system for funding medical care for these patients is inadequate. It does not appropriately recognise that doctors need to provide this care outside of their surgery, nor the time spent assessing patients, coordinating services, and providing support to the patient's family and carers. It does not provide patients with the choice they deserve.

Poor support for medical services in these domains diminishes access and can create unnecessary pressure for, and counter-productive utilisation of, acute services.

Properly funded medical care will help provide Australians with appropriate and quality medical and palliative care in a place of their choosing.

It is important to recognise that palliative care applies not just to older people, but to those in the community who are facing problems associated with life-threatening illness.

AMA POSITION

The AMA calls on the Government to:

- **ensure that Medicare rebates for services provided by doctors and for services provided on their behalf by practice nurses reflect the time and complexity of providing palliative and medical care in the community;**
- **ensure that Medicare rebates cover the time that doctors spend with the patient assessing and diagnosing their condition and providing medical care; with the patient's family and carers to plan and manage the patient's care and treatment; and organising and coordinating services for the patient; and**
- **substantially increase funding for quality end of life care and nationally consistent palliative care services and advanced care planning in Australia.**

10 INDIGENOUS HEALTH

The gap in health and life expectancy between Aboriginal and Torres Strait Islander people and other Australians is still considerable, despite the commitment to closing the gap.

The AMA recognises the early progress that is being made, particularly in reducing early childhood mortality rates, and in addressing major risk factors for chronic disease, such as smoking.

To maintain this momentum for the long term, the Government must improve resourcing for culturally appropriate primary health care for Aboriginal and Torres Strait Islander people, and the health workforce.

Despite recent health gains for Aboriginal and Torres Strait Islander people, progress is slow and much more needs to be done.

A life expectancy gap of around 10 years remains between Aboriginal and Torres Strait Islander people and other Australians, with recent data suggesting that Indigenous people experience stubbornly high levels of treatable and preventable conditions, high levels of chronic conditions at comparatively young ages, high levels of undetected and untreated chronic conditions, and higher rates of co-morbidity in chronic disease. This is completely unacceptable.

It is also not credible that Australia, one of the world's wealthiest nations, cannot address health and social justice issues affecting just three per cent of its citizens.

The Government must deliver effective, high quality, appropriate and affordable health care for Aboriginal and Torres Strait Islander people, and develop and implement tangible strategies to address social inequalities and determinants of health.

Without this, the health gap between Indigenous and non-Indigenous Australians will remain wide and intractable.

INDIGENOUS HEALTH

AMA POSITION

The AMA calls on the Government to:

- **correct the under-funding of Aboriginal and Torres Strait Islander health services;**
- **establish new or strengthen existing programs to address preventable health conditions that are known to have a significant impact on the health of Aboriginal and Torres Strait Islander people, such as cardiovascular diseases (including rheumatic fever and rheumatic heart disease), diabetes, kidney disease, and blindness;**
- **increase investment in Aboriginal and Torres Strait Islander community-controlled health organisations. Such investment must support services to build their capacity and be sustainable over the long term;**
- **develop systemic linkages between Aboriginal and Torres Strait Islander community-controlled health organisations and mainstream health services to ensure high quality and culturally safe continuity of care;**
- **identify areas of poor health and inadequate services for Aboriginal and Torres Strait Islander people, and direct funding according to need;**
- **institute funded, national training programs to support more Aboriginal and Torres Strait Islander people to become health professionals to address the shortfall of Indigenous people in the health workforce;**
- **implement measures to increase Aboriginal and Torres Strait Islander people's access to primary health care and medical specialist services;**
- **adopt a justice reinvestment approach to health by funding services to divert Aboriginal and Torres Strait Islander people from prison, given the strong link between health and incarceration;**
- **appropriately resource the National Aboriginal and Torres Strait Islander Health Plan to ensure that actions are met within specified timeframes;**
- **adopt the recommendations of the AMA's 2016 Report Card on Indigenous Health and commit to a target to eradicate new cases of Rheumatic Heart Disease (RHD); and**
- **support a National Aboriginal and Torres Strait Islander Hearing Health Taskforce that can provide evidence-based advice to Government, embed hearing health in Closing the Gap targets, and recognise its importance in early childhood development, education, and employment.**

11 MENTAL HEALTH

The AMA is acutely aware that Australia requires a robust, well-considered, and useful national plan for mental health care, supported by a workforce strategy. The plan should inspire confidence in stakeholders, doctors and other mental health care providers, and in people with mental illness and their families and carers, that the challenges facing mental health care are clearly understood, and there is a road to better care and better outcomes.

The AMA welcomes local initiatives and improvements to support better mental health care, particularly where they are well coordinated with local clinicians. Coordination of services on a regional basis through, for example, Primary Health Networks (PHNs), has potential to improve services in local areas. But access to mental and other health care should not depend on which PHN boundary a patient happens to live in.

The AMA will look to see improved performance in individual PHNs, but local improvements should not come at the cost of reducing or fragmenting the uniform, high quality health care that should be accessible on a national basis.

There is a real risk that previously successful programs for people with mental health needs are being incorporated into PHNs with no guarantees of access or service continuity. This may be based on premature assumptions about the capacity of PHNs to coordinate the delivery of services to highly vulnerable patients.

Closely related to this are the situations facing people with mental health needs who were (or should have been) accessing services through the NDIS, but whose continued access is now in question or has ceased.

There is a serious and continuing problem in the inability to link and integrate the mental health care provided to patients in primary care with the crisis or acute care they receive as hospital in-patients.

MENTAL HEALTH

AMA POSITION

The AMA calls on the Government to:

- **develop and implement a National Mental Health Plan, drawing on data and analysis by the National Mental Health Commission, including a workforce strategy and supported by key mental health stakeholders. The plan should recognise and quantify the clear need for additional resources for mental health services;**
- **ensure that existing mental health programs, and eligibility for the NDIS for people with mental health needs, are quarantined until PHNs demonstrate they have the capacity to maintain and expand the services and access arrangements currently available;**
- **provide more access to medical care and shared care in the community for people with mental illness through improved Medicare Benefits Schedule (MBS) arrangements, including appropriate indexation of rebates;**
- **increase MBS rebates for longer GP consultations for patients with mental illness;**
- **provide appropriate rebates for crisis situations and for psychiatric care to patients with complex conditions;**
- **provide case management review services for GPs and psychiatrists managing patients with severe/complex needs; and**
- **ensure reimbursement for non-direct patient care.**

12 MEDICAL WORKFORCE AND TRAINING

Successive Commonwealth governments have moved to significantly increase the number of medical school places in response to past workforce shortages.

This represents only one step toward training sufficient numbers of doctors to meet health delivery requirements, with data from the former Health Workforce Australia (HWA) showing that Australia now has sufficient numbers of medical graduates.

HWA and, more recently, the Department of Health, have confirmed that we must now focus on better distributing the medical workforce, and providing enough postgraduate medical training places, particularly in rural areas and in under-supplied medical specialties.

AMA POSITION

The AMA calls on the Government to:

- **require the National Medical Training and Advisory Network to complete workforce modelling across all medical specialties by the end of 2019;**
- **fix the overall number of Commonwealth Supported Places at current levels until medical workforce modelling by the National Medical Training Advisory Network recommends otherwise;**
- **require the National Medical Training and Advisory Network to have a much stronger role in providing policy advice to Government on workforce measures, including the establishment of the rural generalist program, the establishment of regional training hubs, the implementation of the Junior Doctor Innovation Fund, and the expansion of the Specialist Training Program;**
- **establish a Community Residency Program to provide prevocational doctors with access to three month general practice placements, particularly in rural areas; and**
- **remove all medical occupations from the Skilled Occupations List.**

13 OBESITY

Obesity is one of the most significant public health challenges in Australia. More than half (62 per cent) of Australian adults are overweight (35 per cent) or obese (27 per cent).

The figures on children are especially concerning, with national data suggesting that about one quarter (25 per cent) of children and adolescents are overweight (18 per cent) or obese (7 per cent).

These data are likely to underestimate the true extent of the problem.

Obesity is a major factor in the development of chronic and preventable health conditions, including type 2 diabetes, heart disease, hypertension, stroke, musculoskeletal disorders, and impaired psychosocial functioning.

About 70 per cent of people who are obese have at least one established morbidity, resulting in medical costs that are about 30 per cent greater than those of their healthy weight peers.

The cost of obesity is significant and will continue to increase in line with its prevalence. A conservative estimate of the cost of obesity in Australia is $8.6 billion but, when both direct and indirect costs are included, the figure is likely to be much higher.

There is no doubt that obesity is placing significant strain on the Australian health system. Policy, regulatory, and financial instruments are needed to modify and change behaviours and social practices that promote and sustain obesity.

The price of food and drink influences consumption choices. Many poor food choices are cheaper than nutritious options. International evidence shows that increasing the price of foods and drinks known to be associated with obesity reduces their consumption.

Excess weight is not a superficial issue - it comes with a spiralling social and economic cost.

If the current levels of overweight and obesity, particularly in children and young people, are not addressed, there will be inherent long-term negative economic and social implications for Australian society.

OBESITY

AMA POSITION

The AMA calls on the Government to:

- **develop a national obesity prevention strategy that recognises obesity as a complex problem that has to be addressed through a broad range of measures. The strategy must be funded adequately to ensure that measures contained within it can be implemented as a matter of priority;**
- **introduce significantly higher taxes (or levies) to those products, such as sugary soft drinks, which are known to contribute to obesity. Modelling indicates that this type of tax or levy could raise about $500 million a year in revenue and could generate a 15 per cent reduction in the consumption of sugary soft drinks;**
- **prohibit the marketing and promotion of junk food and sugary drinks to children, particularly during children's peak television viewing times. Marketing of junk food to children is known to influence consumption and diet related behaviour;**
- **increase the emphasis on obesity prevention initiatives in all education settings, from early childhood learning through to tertiary institutions, which supports increased nutritional literacy, as well as increased opportunities for physical activity that normalise healthy lifestyles;**
- **undertake regular reviews and updates of national dietary, physical activity and weight management guidelines to ensure that these resources reflect the latest evidence; and**
- **provide ongoing funding for community-based initiatives and programs that seek to reduce obesity in local communities. These programs will help determine which individual and population measures are successful, which are not, and which may be promising. It is vital that the outcomes of these initiatives and programs are collected and disseminated appropriately to ensure we are capitalising on this investment.**

14 NUTRITION

Diet is one of the most important behavioural risk factors for health. Ideal nutrition supports growth and development among infants and children, and also contributes to the maintenance of good health in adulthood.

Poor nutrition increases the likelihood of diet-related chronic diseases, such as type 2 diabetes, cardiovascular disease, some forms of cancer, and obesity.

Modest changes in eating behaviour can have significant effects over time. Increasing the consumption of fruit and vegetables by one serve per day could save the Australian health system $157 million per year in relation to heart disease alone.

The complexity of nutritional information, especially on food labels, may seem confusing to the public, which is why food labels must better inform consumers on the content of the foods and drinks they are consuming.

AMA POSITION

The AMA calls on the Government to:

- **ensure every Australian has access to affordable fresh fruits and vegetables;**
- **increase support to build and expand nutritional literacy among mothers-to-be and new mothers. These efforts will help improve nutrition for infants and toddlers – establishing good eating practices early in life is clearly very important, and a key component of obesity prevention efforts;**
- **conduct a comprehensive review of food security in Australia, and its potential role in addressing health inequalities, including those encountered by Aboriginal and Torres Strait Islander people;**
- **fund programs that seek to improve the nutritional status and nutritional literacy of Aboriginal or Torres Strait Islander people who are assessed to be at risk of health problems associated with poor nutrition; and**
- **provide continued support of Health Star Rating System labelling to improve consumer food choices and to encourage food reformulation, where practical. The system must be supported by ongoing monitoring of its effectiveness and uptake by the food industry. If uptake is insufficient, the system will need to be mandated.**

15 PHYSICAL ACTIVITY

Physical inactivity costs the health budget an estimated $1.5 billion each year and contributes to almost one-quarter of the cardiovascular burden of disease in Australia.

Physical inactivity causes an estimated 14,000 deaths each year. Australians who are not physically active increase their risk of heart disease, stroke, diabetes and some cancers. Not being active is a major contributor to the obesity epidemic, with more than half of all Australian adults overweight or obese.

Research shows that only 43 per cent of Australian adults, and only 19 per cent of children meet the National Physical Activity Guidelines. Australia does not have a national physical activity strategy, and is ranked a lowly 94th in the list of 131 countries whose physical activity levels are measured by the Global Observatory for Physical Activity.

Widespread and effective participation in physical activity across the population could lead to a reduction in the incidence of type 2 diabetes, hypertension, osteoarthritis, major fractures, bowel cancer, the incidence of heart disease, osteoporosis, lower back pain, falls in the elderly, stroke, depression, and dementia.

There is an economic as well as health incentive for Government here: increasing physical activity in Australia by just 10 per cent could lead to cost savings of more than $250 million, and 37 per cent of those savings would be in the health sector.

AMA POSITION

The AMA calls on the Government to:

- **deliver a National Physical Activity Strategy that clearly defines practical, prioritised and evaluated measures and national indicators of physical activity participation;**
- **bring together stakeholders and all tiers of government to help boost participation rates in physical activity, especially among those groups known to have low participation rates;**
- **work with State and Territory governments to provide structured opportunities for young people to be physically active;**
- **champion low and no-cost opportunities and provide information about easily accessible participation in physical activity; and**
- **make active transport measures a priority in all transport and infrastructure policies. Many countries have developed innovative ways to provide and promote active transport, and in turn reap the benefits. The Government should be examining these, and applying them to the Australian context.**

16 ALCOHOL AND DRUGS

The use and misuse of drugs and alcohol in Australia is a major public health concern, and has wider social and economic implications. The causes of drug and alcohol use, misuse, and dependence are multifactorial. The Government's response must be coordinated, strategic, and properly funded to recognise and reflect the extent of the harm caused.

The health effects caused from excessive drinking and drug taking are well known to the doctors and nurses who treat people affected by these substances. There are many Australians who are drinking to excess, to their own detriment, and this results in personal harm, injury, trauma, and death.

The impact of drug and alcohol misuse and abuse is broad reaching, and there are too many innocent victims, including children and family members of those with drug and alcohol problems.

Alcohol is a leading cause of preventable birth defects and intellectual disability. Fetal alcohol spectrum disorder (FASD) is associated with a range of birth defects and reduced life expectancy. FASD is not only costly to the individuals and families impacted, but also to our health, education and justice systems. Yet it is potentially preventable.

The AMA welcomed the Government's swift and sizeable response to Ice, including a $300 million investment and the establishment of the National Ice Task Force. But alcohol abuse is far and away the leading cause of disability among substance use disorders, and excessive alcohol consumption is pervasive in Australia.

Alcohol misuse clearly warrants the same level of attention as Ice, including the finalisation of the National Alcohol Strategy.

A national strategy is needed to coordinate evidence-based responses to alcohol-related harm, including pricing, availability, and promotion, as well as investment in various prevention and treatment initiatives.

ALCOHOL AND DRUGS

AMA POSITION

The AMA calls on the Government to:

- **finalise the National Drug Strategy as a matter of priority. This strategy should coordinate and prioritise the various aspects of the response to drugs and alcohol and should be accompanied by sufficient funding to ensure those actions identified as a priority can be implemented quickly;**
- **implement information and education initiatives, including social marketing campaigns, that seek to increase public awareness about the risks associated with drug and alcohol use and misuse, including the physiological and mental health consequences as well as the potential for dependence. This should include information that is targeted to priority groups who are known to be at risk of drug and excessive alcohol consumption;**
- **implement specific programs and measures that are specifically designed to meet the needs and preferences of Aboriginal and Torres Strait Islander people who may be disproportionately impacted by drug and alcohol use and misuse;**
- **ensure that staffing in emergency departments includes specialist drug and alcohol liaison officers to engage, support, and intervene in patients with acute drug and alcohol-related illnesses, as well as rapidly responsive security arrangements and infrastructure to accommodate drug and alcohol related presentations;**
- **implement the National Alcohol Strategy to coordinate responses to harmful alcohol consumption including alcohol-related violence;**
- **introduce statutory regulation of alcohol marketing, including the prohibition of alcohol marketing that targets children and adolescents as well as efforts to phase out alcohol sponsorship of sporting events and teams. This regulation should incorporate meaningful sanctions for non-compliance;**
- **provide targeted alcohol prevention and treatment services throughout the community including: GP-led services and referral mechanisms, community-led interventions, safe sobering up facilities, treatment and detoxification services at all major hospitals, and services for acute alcohol abuse at hospitals with emergency departments;**
- **develop mandatory, front-of-pack warning labels on all alcohol products to inform the public about the harms associated with alcohol use during pregnancy; and**
- **review current alcohol taxation and pricing arrangements in order to fully consider reforms that discourage harmful drinking.**

17 CLIMATE CHANGE AND HEALTH

Climate change and extreme weather have already contributed to increased levels of ill health and death. Heat waves, rising temperatures, and local changes to rainfall will continue to impact on our health, and food and water security.

The evidence is clear - hot weather increases mortality in Australia, and air pollution exacerbates health problems. These changes will affect the health of Australians, and place increasing and unpredictable demands on the health system.

The direct effects of climate change are being seen across the nation, and include injuries and deaths from increased heat stress, floods, fires, drought, increased frequency of intense storms, and extreme weather.

Mitigation of climate change can be considered a public health measure that seeks to prevent its adverse health impacts. Irrespective of climate change, policies to reduce greenhouse gas emissions have potentially large public health benefits.

AMA POSITION

The AMA calls on the Government to:

- **reduce greenhouse gas emissions within a global carbon budget to prevent further climate harm as a result of human activity;**
- **promote the health co-benefits of climate change mitigation and adaptation strategies as a public health opportunity, with significant potential to offset some costs associated with addressing climate change;**
- **promote regional and national collaboration across all sectors, including a comprehensive and broad reaching adaptation plan, to reduce the health impacts of climate change. This requires a National Strategy for Health and Climate Change that brings together regional and national collaboration across all sectors, including a comprehensive and broad reaching adaptation plan to reduce the health impacts of climate change; and**
- **establish a National Centre for Disease Control (CDC) to coordinate, manage, and address potential threats, including threats that are linked to changing climate conditions.**