



Greens propose Medicare levy deal

ANDREW TILLET
CANBERRA

The Rudd Government's proposed changes to the Medicare levy surcharge received a boost last night, with the Greens offering their support to get legislation through the Senate in return for more money for public hospitals and greater scrutiny of waiting lists.

But Health Minister Nicola Roxon still needs the backing of two senators, Family First's Steve Fielding and South Australian Independent Nick Xenophon, for the plan to become law.

A Senate inquiry examining the Medicare changes split along party lines when its final report was released yesterday, with the Labor-dominated committee recommending they be passed without amendment.

The Government wants to lift the income thresholds from \$50,000 for singles and \$100,000 for couples to \$100,000 and \$150,000 respectively at which people without private health insurance have to pay the surcharge. Thresholds for the 1 per cent surcharge have not increased in 11 years.

In the report, Labor senators dismissed concerns that changing the thresholds would prompt up to a million people to dump their health insurance and join hospital queues, forcing premiums up by 10 per cent.

"The overriding consideration is the danger of forcing an ever larger number of low-income people to pay the MLS or to buy low-value fund policies for which they have little use," the majority report said.

WA Senator Rachel Siewert, who wrote the Greens dissenting report, criticised the surcharge for being an "unfair burden" on low-income earners but stopped short of endorsing the Government's Bill.

In return for Greens' support, Senator Siewert wants the \$300 million which Treasury says can be saved by the changes put into public hospitals, reviews of elective surgery waiting lists and indexation of the thresholds to stop low-income earners paying the surcharge again. In their dissenting report, coalition senators maintained their opposition to the changes, warning it would hurt the most vulnerable in the long run.

WA Liberal Senator Mathias Cormann said: "The measure will rip around \$3 billion out of the health sys-

tem but the Rudd Government has offered the States no extra money to cope with the additional demand on their public hospitals."

Senator Fielding said last night he was pushing for the Government to compensate low-income families for any premium increases attributed to the changes.

A spokesman for Senator Xenophon said he wanted more details of the impact on waiting lists and fund premiums. Ms Roxon said the Government planned to introduce the legislation without any changes.

The surcharge changes were backed by the Australian Nursing Federation, the Doctors Reform Society and the Australian Healthcare and Hospitals Association. However, the Australian Health Insurance Association would lobby senators Fielding and Xenophon to vote against the changes.



Rachel Siewert