

III. CURRENT HEALTHCARE CLIMATE

A. Role of the Physician

It is felt that some 75% of health expenditures in Australia are effectively determined by physicians and it is they who decide when to prescribe drugs, request a follow-up, when to admit to a hospital, length of stay and when to operate.

Number of Registered Medical Practitioners in Australia - Nov 1989

<u>Type of Health practitioner</u>	<u>Amount</u>
Standard G.P.	15,800
Locums	106
Other G.P.'s (ie. retired, not practicing)	1,234
Salaried doctors (eg, health dept admin)	739
Resident Medical Doctors	6,229
Specialists	11,209
<u>TOTAL</u>	<u>35,317</u>

(M) 28,119, (F) 7,198

Source: Department of Health - Canberra

The fee for service system that marks the Australian medicare system means that doctors expect payment for each and every service they provide. Though publicly funded, the health care system remains largely controlled by the private medical profession, which determines when, where and how often patients are treated. Politicians and bureaucrats influence health budgets, but governments are committed to paying whatever bills doctors and hospitals submit.

B. Australian Pharmacies

The Pharmacy industry in Australia is currently involved in a massive dispute with the government over payments received for dispensing Government listed drugs, which are sold at a set price under the Pharmaceutical Benefits Scheme (PBS). The pharmacies argue that the reduction in payments by government will mean that

many pharmacies will be unable to make enough money to remain viable businesses. The government maintains that there are too many chemists and that payments made for the P.B.S. in the past have been too generous.