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Lack of Budget signal could see communities lose their family doctor



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GenPro deputy chair Stephanie Taylor says training an extra 25 doctors a year is a 'drop in the bucket' [Image: Supplied]

“GenPro definitely wants more of the health budget to be directed to frontline services in primary care”

A disappointing Budget could see some towns and communities lose their family doctor altogether or at the very least face reduced services, says a general practice owners leader Stephanie Taylor.

Dr Taylor, deputy chair of the General Practice Owners Association, says the group had hoped the Budget might invest in the sector so that it could retain and grow access to high-quality care.

“So, it’s pretty disappointing, but I suppose not surprising, given what we have been hearing, to see today’s Budget announcements.”

The specialist GP and Green Cross Health medical clinical director says the worst-case scenario is that family doctors will be lost to communities, with one in three practices currently losing money.

“There’s going to be a lot more pressure on practices to either increase their fees or reduce services,” Dr Taylor says. “Obviously, this is not what any doctors or practice owners want, but we’ve got to make a choice, and it might be the only way to keep the doors open.”

Increase unclear

Dr Taylor says the Budget documents and releases do not make clear how much of the increase in Vote Health would go to primary care, with the share for non-hospital and specialist services unchanged at 31 per cent, the same proportion as last year.

“GenPro definitely wants more of the health budget to be directed to frontline services in primary care.

“It’s challenging because we know that primary care receives such a small percentage of the health funding. And yet, we are the provider of the most care to the most people.

“Now our hopes are relying on the board of Te Whatu Ora realising that primary care desperately needs a significant increase in the percentage of the health budget.”

Dr Taylor added that an extra 25 doctors a year was a “drop-in the bucket” of the workforce issues faced by the sector.

Capitation increase tabled soon

GenPro has estimated that the cost pressure formula used to calculate the annual statement of reasonable fee increase (ASFRI) and guide the yearly capitation funding increase could come out at about 5.88 per cent for 2024-2025. This is much lower than the major boost the sector says is needed to pull primary care out of its current crisis and make it sustainable for the future.

Last year, primary care received a 5 per cent capitation increase that Te Whatu Ora said was equivalent to a \$63.5 million boost. A Te Whatu Ora aide-mémoire to health minister Shane Reti from January **indicated an investment of \$173 million was needed to sustain primary care** and meet current costs. Much more again – \$353 million to \$1.36 billion – was needed to address unmet need.

The ASFRI and annual capitation increase will be shared at a post-Budget PHO Services Agreement Amendment Protocol [PSAAP] group meeting in early June.

“The Budget should of and could have addressed workforce pressures. We simply can’t wait for another year.”

She says the Government is talking about multi-year funding, and that is positive, “but we need money now to retain our current services”. Plus, there is no clear funding for pay equity for primary care nurses, she says.

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