

Proposed policy for bringing GPs to the suburbs/bush

Proposed by Dr C Doug Lee 9 Nov 2007

Why is such a policy necessary?

Many local communities in Canberra (Australia) do not have a GP service. Some town folks (such as those in Temora) have taken the desperate step of offering a \$500,000 incentive for a GP to set up practice in their town. This situation is caused by insufficient financial incentives as well as lack of government encouragement for GPs to set up practices in places where they are needed. It is not a matter of insufficient numbers, it is simply a matter of mal-distribution and lack of government guidance.

The Federal Government pledges support for "super clinics". "Super clinics" are businesses which need to operate for profit. They must be situated in population centres to be profitable. They make their fortune by quick fix short consultations, formula driven "care plans" and referrals to in house pathology and radiology practices. It is next to impossible to prove or even suggest that there is any incentive of over servicing. Due to their substantial financial backing, (with shareholders' money) they can offer sign-on incentives to attract doctors.

If one is a newly qualified doctor with a young family, a mortgage, and a HECS debt, faced with the choice between being given \$100,000 upfront to work in a superclinic for 5 years, or to borrow yet another \$100,000 to set up a practice in a suburb, what will one do?

One does not need to be a genius to recognize that neither of these policies will alleviate the situation of doctor shortage where they are needed most.

Proposed policy to attract doctors to areas of need.

If we refer back to the example above, when a swimmer is struggling, rather than pledging funds to build a swimming school, the obvious and sensible thing to do is to throw him a line or a floatation device.

Metaphorically, this is what my proposed policy tries to accomplish.

My proposal is for the government to provide an **interest free loan of \$100,000**, repayable over 5 years, to any doctor wishing to set up a medical practice in an "area of need".

An "Area of need" is defined as a location with a population of 1500 within 5 km of a proposed surgery which does not have the service of a doctor. If a doctor, or a local community, can identify a site which will be suitable to set up a medical surgery, he/she/they can bring it to the attention of the "**Doctor Workforce Taskforce**" and the exact location is pegged for a potential \$100,000 grant.

This "loan" is not granted to line the doctor's pocket. It is only available to pay for the fit out and the initial purchase of equipment in the setting up of the surgery as well as the rent for the first two months.

This loan is interest free and must be repaid in full if the doctor leaves the area. However, for every year that the doctor remains in the location, the loan will be reduced by \$20,000. If the doctor stays for 5 years, there is nothing to repay, (but by then the doctor will have been firmly established in the area). If the doctor leaves before the 4 years, he will have to repay the remaining loan on a pro-rata basis. However, if he manages to find a doctor to succeed himself, then the term of the loan continues as long as there is a doctor at the location.

To qualify for the loan, the doctor (or local residents) must prove that there is a population of over 1500 in a 5 km radius of the location and that there is no other medical services available. (This is easily done with figures from the Bureau of Statistics)

He will forward detailed invoice for the fit out, equipment purchase, and copy of the lease agreement to the Task Force, which will scrutinize, and then pay, these invoices directly, up to a limit of \$100,000. If the doctor has purchased the land or building, the fit out and the equivalent of two

month's rent calculated on a commercial basis by a valuer, will be paid). The properties paid for by the task force remain the properties of the Task Force until four years are up.

If another doctor joins the practice, and the original doctor can prove that there is now a population of 3000 or more within 5km of the practice, another \$100,000 will be available, again paid directly to the architect, builder, tradesmen who carry out the building extension and renovation. Two months' rent will be payable to the landlord or to the owner of the building.

This policy will give doctors enough incentive to go into the suburbs and country areas and open up medical practices in areas where they are needed most.

It removes the initial risk for the doctor to set up the service, offers significant incentive for doctors to venture out into the suburbs or country areas, and the facilities remain in the community. Even if the doctor decides to leave, there is now a ready to go surgery waiting for another doctor to step in.

This policy will truly address the problem of medical service shortages in the suburbs and country areas. The grant will also hopefully address the problem of sub-standard corner shop type surgeries of the bad old days, and the country will be served by well distributed, well fit out and well equipped medical surgeries to serve the population where they need it most.

If one is feeling generous, the Task Force can further set up a professional locum service whereby the task force will employ a group of professional locums to provide 4 week p.a. locum relief for country doctors. The Task Force will pay for the locum doctors while the doctor applying for the service has to provide accommodation and transport for the locum. This will further encourage doctors to go out to the bush. By allowing local residents to nominate areas of need, the government is seen to be listening to, and caring for, the people.

Here is the bonus for the government : when a location has been identified as an area of need, and a grant is earmarked for the area, the local residents will feel a sense of community achievement, hope and jubilation. The community will be grateful to the government for listening to them and acting in their interest, scoring much political brownie points for the party which proposes the policy. Surely one cannot blame the government for not caring when it has pledged \$100,000 to help the local community find a doctor. However, until a doctor actually starts up practice there, the government does not need to spend a cent! Considering the medical workforce shortage, only a small fraction of this generous and impressive pledge will be actually spent, thus resulting in huge political gain with only a small fraction of the pledge being paid.