

Evaluating the Impact of the Extended Medicare Safety Net

Research by The Centre for Health Economics Research and Evaluation (CHERE) at UTS has shaped policy outcomes and directly benefited many Australians.

The research relates to the growth in out-of-pocket costs associated with medical services provided in Australia by Medicare. The Federal Government in 2004 had introduced an Extended Medicare Safety Net (EMSM) to address the out-of-pocket cost concerns. The policy was designed to provide additional financial relief to patients with high out-of-pocket costs, in particular those with complex or chronic conditions.

CHERE researched the impact of the EMSM using substantial data sets which had been collected for administrative purposes and surveys, but which had been underutilised for research. Its results demonstrated how this data on both individual out-of-pocket costs and government subsidy can be used to analyse how changes in a policy setting can shape decisions and affect patient and provider outcomes, and ultimately the taxpayer.

The research report directly influenced the 2009–2010 Federal Budget measures to cap EMSM benefits for a number of high expenditure items. This has benefited many Australians through controls on EMSM expenditure resulting from the caps. Two CHERE reviews of the EMSM have now been conducted with both receiving extensive media coverage and being critically appraised by stakeholders in health care policy.

The policy was designed to provide additional financial relief to patients with high out-of-pocket costs

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14

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CASE STUDY

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DISCIPLINE

Health and Support Services

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