Moves to tie doctors into set fees are designed to make visits cheaper, freeing up access for poorer people. Political reporter ***Claire Ramsay*** *looks at the Government's long-promised move, which comes only three months before the election.*

JUST WHAT THE PATIENT ORDERED

Policy delay

HOSPITALS have been dealt with. A new focus for health promotion has been created with the New Zealand Health Charter. Smoking has been roundly attacked. But primary health care has languished in the Government's "too hard" basket for six years.

Since Labour was elected in 1984 reform of the health system's frontline has been on its agenda. Several reports have delved into primary health care, but until last week's Budget nothing had really been done.

The Budget unveiled the new contract option, which gives adult and beneficiary patients cheaper visits and guarantees doctors' incomes. Alongside that is an across-the-board boost to the general medical services benefit (GMS), aimed at making visits for children under five free, and lowering the cost for children over five to about $5. Elderly and chronically ill patients will also pay less for their visits. Altogether $65 million has been set aside for the new initiatives.

Other elements set up new committees linking GPs with area health boards and ensure more information is collected to help the development of policy. Quality assurance programmes are being set up and a review of rural and other special area incentives is planned.

Health Minister Helen Clark freely admits she would have liked to get to this sector much earlier, but other things took priority. When she became the minister 18 months ago her first job was to sort out "the mess of being stuck betwixt and between" area health boards and hospital boards. The act establishing the new boards had been in place for six years, but there were still 17 hospital boards operating.

Despite Health Department advice that she couldn't get it done by the end of the year, Clark dug her toes in and had the 14 board boundaries drawn up by June last year. That dealt with, she moved on to the Health Charter and health goals. The goals target smoking and signalled her next battle — the Smoke Free Environments Bill, which is still working its way through Parliament. Eventually primary health care made it to the top of the list.

Clark is quite scathing of the reports that had come before her time — and there were plenty of them. Michael Bassett, the first Health Minister in this Labour Government, had a review committee, the board of health produced options — "every body has produced", Clark says despairingly. "Frankly so many of the ideas that have come up on primary care have really been quite theoretical and not feasible. I was looking for some-

THE ghost of Michael Joseph Savage stirred last week when the Government unveiled new contracts for doctors. Was this really the free-market fourth Labour Government seeking to tie doctors to fixed fees, or some spiritual aberration?

The contracts, designed to make visits to doctors cheaper, cap fees — making visits for children under five free, children over five, the elderly, chronically ill and beneficiaries limited to $5 and adults no more than $10.

In return, the doctors on contract to the Government receive higher subsidies than their non-contract counterparts through the general medical services benefit (GMS) for adult and beneficiary patients. The payments are tied to the CPI and reviewed every September.

There is no compulsion to join the scheme, but Health Minister Helen Clark expects competition could encourage neighbouring practices to think carefully before they opt out. She is expecting about 15 percent of the country's 3000 GPs to join the scheme in the first year, although there is money for up to 30 percent.

"I don't expect them all to come in, because there are some people who are so dogmatic about what they see as a principle . . . but on the other hand I know there will be people who say 'we worry about security of income. We just can't ignore it'," she says.

Initially they are likely to come from the areas where patients can't afford to visit the doctor. As well as ensuring that those patients have easier access, the scheme will guarantee payment to doctors at a time when many are finding that more and more patients can't pay.

Clark is excited about the scheme — the first major step in primary health care the Government has taken, despite its agenda for social policy in the 1987 election.

"What we're saying is that really we can't be held to ransom by doctor-driven fees all the time. We have to have some way of establishing what is reasonable. Everyone benefits, but the greatest benefit comes to the people with the least money."

Her starting point for the new policy is that primary care is too expensive across the board. She cites examples of doctors charging up to $35 for a visit. For children, the rest of the health system, Clark says, with people getting to the doctor before a problem becomes really serious and needs hospital care.

"The strange thing about our system is that the greatest cost barrier is at what should be the first step in the process. If you're really ill, the public hospital takes you in and gives you [treatment worth] tens of thousands of dollars absolutely free. But if you're trying to stop getting really ill there is a price barrier which is truly prohibitive," she says.

This system sits well philosophically with Clark, who is vehemently opposed to health insurance, and has tried to target health resources by need rather than income. She wants no part of a system which subjects people to means testing before they gain access to services.

Contracts aren't new — many other countries use similar systems. But the Clark model has a number of unique features and was designed to suit New Zealand. It doesn't, like many overseas schemes, tie doctors to a set salary but it does guarantee their incomes.

Clark says she had to start on the basis that the GPs are disconnected from the rest of the health system. As a result the contracts not only cap fees, they also require doctors to provide 24-hour, seven-day services, supply information for use in primary health care policy planning and join a quality assurance programme.

All doctors, whether on contract or not, will have a chance to join general practice committees in each of the 14 area health board regions. The committees are designed to link the health treatment, promotion, education and prevention activities of the boards and local GPs.

Clark says that only with this kind of co-operation will health goals be achieved. Until now, she says, GPs have really been independent private enterprise, working at arms-length from the rest of the system.

Doctors have no problems with the committees, the quality assurance programme or establishment of the information base. They are happy about the general increases in the GMS, although they think the adult and beneficiary payments should have been boosted as well. But they are very wary about the contract itself, and the New Zealand Medical Association has warned its

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Health spokesperson Don McKinnon says non-contract doctors could eventually

turns it around on the doctors, and suggests they are really concerned that some are going to be in more competitive positions than others.

Practitioners, says that with more time a better system could have been created.

"It's a pity it's been done with such speed. Discussions within the profession, the Minister's Office and the Health Department could have produced a contract which was useful from the beginning," Cook says.

Clark is willing to talk, although not if the doctors only want to discredit the contract option. "If they want to look at it constructively from the point of view of what they think is in the interests of the doctor, that's no problem. I wish they had done it earlier."

She says the contracts are flexible, and can be adjusted to suit individual needs. "We're not saying it has to be standard in all practices. It's a draft and it's there for discussion with individual practices."

Unlike her predecessors in this and other Labour Governments, the odds are better than even that Clark's scheme will be accepted, once the contract niggles have been ironed out.

The contract is voluntary, but the newly discovered consumer power in the health sector puts more pressure on doctors to respond to what their patients want. It also helps that there is a wider range of practices, such as the union clinics, which are bound to adopt the scheme enthusiastically.

The first Health Minister in the present administration, Michael Bassett, found himself in the High Court when he tried to give the GPs the option of two different GMS payments.

Doctors proved the existing Social Security Act did not allow such a move, and it was dropped. Since then the Act has been amended, making it possible to do what Clark is planning.

Earlier Labour Governments also ran into problems. In 1939 doctor hostility forced the Government to water down plans for a free universal medical service, in the end coming up with free hospital care but doctors visits costing patients about 25 percent of the total fee.

The third Labour Government, like this one, had plans to deal with primary health care, but in its one term only had time to produce a white paper.

If the scheme doesn't work, Clark has a fall-back position. She really favours a dual funding system, with part of the state's

Charity accused of helping to kill

LONDON, July 30. — The World Wide Fund for Nature was tonight accused of actively encouraging hunters to kill elephants, leopards and antelopes in the African bush.

Central TV's Cook Report programme said Britain's biggest conservation charity had sponsored safaris in Zimbabwe as part of a culling process.

The claim was one of a number made by presenter Roger Cook in tonight's 30-minute broadcast.

They were all denied by the charity's director of information, Gordon Shepherd, who described the programme as "inaccurate and misleading".

Roger Cook, who went on a safari and witnessed the shooting of an antelope, described it [illegible] most distasteful

at the work of the WWF — whose president is the Duke of Edinburgh — following an unpublished report on the charity's first 25 years of operation by former Oxford University zoologist Dr John Phillipson.

The report, commissioned by the WWF, was a closely-guarded secret, said Mr Cook, because it was "devastatingly critical".

"It paints a picture of a large organisation whose policies are unclear and unfocused, whose management, reporting and financial accountability leave much to be desired."

On the programme, the WWF's first appeals director Ian MacPhail said its three greatest successes, in terms of raising money and persuading the public something was being done, were also its greatest failures — pro-

the allegations, saying it was a poor piece of TV journalism.

"Despite the enormous amount of information provided to the programme, it was inaccurate and misleading.

"No attempt was made to explain the conservation work of the WWF. The programme did a profound disservice to WWF and the entire conservation movement."

Culling was needed where there were growing numbers of animals on limited parkland with nowhere else to move them. Funds raised were used to help local people save the animals.

"While we find it regrettable that it [culling] has to take place, we are certainly not against it," said Mr Shepherd.

The Phillipson report had said the WWF was successful in

The family of Peru's new Presic in Lima. Fujimori's wife, Susana [illegible] 12 and Keiko S

New Government subsidies

	NOW	FROM SEPTEMBER 1
Under 5 years	$16	$29
Children 5 years & over	$16	$24
Adults	$4	$4
Elderly and chronically ill	$12	$17
Other beneficiaries	$12	$12

Contract practices' consultation fees

	PAID BY GOVT.	CHARGE TO PATIENT
Under 5 years	$29	Free
Children 5 years & over	$24	Up to $5
Adults	$19	Up to $10
Elderly and chronically ill	$24	Up to $5
Other beneficiaries	$24	Up to $5

Wrongdoing denied

[illegible] in this Labour Government, had a review committee, the board of health produced options — "everybody has produced", Clark says despairingly. "Frankly so many of the ideas that have come up on primary care have really been quite theoretical and not feasible. I was looking for something that could be introduced and grow."

The outcome is a policy that must appeal to traditional Labour voters currently languishing in the "don't know" category, disheartened and hurt by this Government. Clark hopes it will, and expects many will see it as taking up the spirit of Michael Joseph Savage's first Labour Government, and the 1938 Social Security Act.

The policy reflects Clark's philosophy of allocating for need, not income, as the hospital policy also showed. "This approach is not targeted by income and I have strongly resisted such suggestions. Treasury would always like to target by income and have people carrying something called a smart card, so that when they present it to the doctor they are marked.

"I don't like that, I'm absolutely opposed to it. It marks them out. I don't think that's on."

She is just as firmly opposed to a suggestion from a GP group that the GMS should be replaced with private insurance, with the State picking up the tab for means-tested poorer people. The danger is that people in the middle would not be able to afford it and would miss out altogether.

Even the Opposition isn't hot on the idea. Health spokesperson Don McKinnon has confirmed National's commitment to the GMS, and in the meantime anyway, is likely to give the new contract scheme a chance to work.

"I would want to immediately reassess it, but it's only just in place and I wouldn't go so far as to say we'd repeal it right now. But if it goes the way I think, two years down the road we could end up with total State control."

He is concerned that it could create two classes of patients, and drive people towards contract doctors. A National Government would continue to target the GMS, especially at the under-fives, and McKinnon concedes he likes that part of Clark's plan.

National is busy reworking its primary health care policy at the moment, in light of the Budget announcements, and doesn't expect to release it for another three or four weeks. It had originally been expected in June. So far only the hospitals segment of its total health policy has been released. □

Helen Clark

Doctors believe the system will create two classes of patients — something the Opposition has also latched on to.

Health spokesperson Don McKinnon says non-contract doctors could eventually be forced to put their fees up if the GMS lost party with the subsidy paid to their contract counterparts. He claims Clark is determined to have State-contracted doctors.

"I am prepared to predict that once enough doctors have taken out contracts with the State the door will close and resources for doctors on the outside will diminish. Those inside the system will then be captured and controlled by the Minister and as a consequence lose their independence," he says.

Clark dismisses the claims. Instead she says of establishment of the information base. "They are happy about the general increases in the GMS, although they think the adult and beneficiary payments should have been boosted as well. But they are very wary about the contract itself, and the New Zealand Medical Association has warned its members not to sign until a legal opinion is sought. NZMA chairman Lewis King says a preliminary opinion suggests the contract document is so deficient as to be seriously flawed.

A clause in the contract allowing an agent of the Director General of Health to come into practices at any time and check patient records for audit purposes raises concerns about confidentiality, King says. The contracts make no allowance for after-hours or weekend surgeries, and a subsidy for practice nurses is paid at area health board rates — lower than practice rates.

The third Labour Government, like this one, had plans to deal with primary health care, but in its one term only had time to produce a white paper.

If the scheme doesn't work, Clark has a fall-back position. She really favours a dual funding system, with part of the state's funding linked to capitation — paying doctors for the number of patients on their books. But right now that scheme is impossible, because the limited information available could result in one patient showing up on more than one practice's records.

Complex mechanisms have to be worked out to ensure double payments aren't made.

"I'll reserve judgment now on whether we even need to think about dual funding. Let's see it this can deliver the sort of co-ordination that everyone agrees is needed. I'd like to see how this goes for the next year or so; if it delivers the goods I think we say 'well, that's the balance for now'." □