

MEDICAL INDEMNITY INSURANCE

924. Mr HYDE to the Minister for Health:

Can the minister inform the House about the situation with medical indemnity insurance in Western Australia?

Mr KUCERA replied:

I thank the member for the question. There is a national concern about the escalating cost of medical indemnity and the financial viability of major medical indemnity insurance funds in the eastern States. Like other States, Western Australia has been experiencing rapidly rising medical indemnity insurance premiums. The vast majority of medical practitioners in Western Australia are members of the Medical Defence Association of Western Australia. I have spoken to the representatives of that organisation and I am advised that it is in a much sounder financial position than its counterparts in the eastern States. That is good news for this State. Western Australia is already providing substantial medical indemnity insurance subsidies to rural general practitioners who provide in particular obstetric and anaesthetic services to public hospital patients. The cost of these subsidies has increased substantially in the past couple of years. Escalating medical indemnity costs is now a national issue and requires a national approach. For that reason, next week I will attend the commonwealth indemnity insurance forum in Canberra. The forum will be attended by all state and commonwealth health ministers, senior representatives of the medical and legal professions and consumer insurance groups.

Of particular concern to us is the impact of rising medical indemnity insurance costs on rural GPs who provide obstetric, specialist obstetric and anaesthetic services. Yesterday I met with some of the GP divisions and the head of the GP divisions for rural areas. The Department of Health has brought together Western Australian stakeholders to provide advice to the Government on appropriate measures to ensure there are viable and affordable medical indemnity insurance arrangements in Western Australia. I have asked this group to give me advice prior to the meeting in Canberra, and I will report to the House on any findings or recommendations that come from that forum.