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## Operations cost money, time, as obstetrics raid Medicare

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ALMOST double the length of time in hospital, increased nursing and medical care, plus longer recovery time at home - there is no doubt elective caesarean sections place a heavy economic burden on the public and private hospital systems.

Add to that payments to private obstetricians now account for about 30 per cent of the Medicare safety net, a system designed to reduce out-of-pocket expenses for low-income earners but which favours those in high income areas with access to private health care.

By making it possible for more people to use private obstetrics, the Medicare safety net, which the Rudd Government has committed to retaining, works to increase the number of elective caesareans because private hospitals have higher surgical birth rates, said the senior research officer at the Centre for Health Economics, Research and Evaluation, Kees Van Gool.

"People on higher incomes are more likely to use specialist services and when they do they are more likely to be charged higher fees," Mr Van Gool said.

"However, if you are a public patient in an obstetric ward you might be primarily seen by midwives, whereas in the private sector you are cared for by the obstetrician - immediately you are dealing with a higher price."

His analysis found that the introduction of the safety net coincided with a substantial rise in public funding for Medicare services and a much smaller reduction in out-of-pocket costs.

"The safety net was introduced to help reduce out-of-pocket medical costs ... [but] there has been significant leakage of public funding towards higher provider fees."

### Ruth Pollard

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