



Friday 17<sup>th</sup> November 2023

Department of Home Affairs,  
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## **Appreciation for Insights on Significant Cost Threshold (SCT) & Comprehensive Proposal for Enhanced Visa Application Process**

On behalf of our organisation, I would like to express our sincere appreciation for the recent communication from the Department of Home Affairs regarding the Significant Cost Threshold (SCT) within Australia's visa application process. The insights provided have been instrumental in deepening our understanding of the complexities associated with migration policies and their implications on public health expenditure.

As stakeholders invested in the integrity and fairness of Australia's migration system, we would like to underscore our shared commitment to principles that not only ensure accessibility and fairness but also prioritise the critical health considerations outlined in the Migration Health Requirements. We acknowledge the delicate balance required to safeguard public health, control healthcare expenditure, and ensure accessibility for both Australian citizens and permanent residents.

The elucidation provided by the Department of Home Affairs on the SCT as a linchpin for containing public expenditure on health care and community services is not only insightful but also underscores the ongoing commitment to adapt policies in response to evolving healthcare dynamics. The periodic adjustments made since the policy's establishment in 1995, utilising data from the Australian Institute of Health and Welfare, demonstrate a proactive approach to managing the challenges posed by healthcare costs.

However, the Department's astute observation regarding the unaltered definition of 'significant' prompts us to engage in a critical reassessment of its relevance in our current context. As we navigate through a dynamic global landscape, understanding the evolving nature of healthcare costs is crucial to maintaining a migration system that aligns with the overarching principles of fairness and accessibility.

The data provided on visa applicants failing the SCT in the 2022-23 period, with costs ranging between \$51,000 and \$123,000, is enlightening. This information not only underscores the fiscal considerations associated with public health expenditure but also serves as a poignant reminder of the potential impact on individuals aspiring to contribute positively to the Australian community.

In the realm of temporary visa assessments, we appreciate the detailed examples provided in your communication. The correlation between the proposed duration of stay and estimated costs is a nuanced aspect that requires careful consideration to ensure that the Health Requirement is met appropriately.

Shifting our focus to the broader healthcare landscape in Australia, the rising out-of-pocket costs for healthcare have emerged as a significant concern, as highlighted in recent discussions. The escalating costs, particularly in specialist fees, are placing strain on many Australian families, making it increasingly difficult for them to meet these financial demands.



Moreover, the revelation that only 35.1% of specialist consultations were bulk-billed in 2020–21 compared with 88.8% of GP services underscores the challenges faced by individuals seeking specialised medical care in an article by Professor Anthony Scott (2022) in NewsGP by The Royal Australian College of General Practitioners (RACGP). As a result, a major consumer survey earlier this year found that 30% of people with chronic conditions were not confident they could afford needed healthcare if they became seriously ill, and 14% could not pay for healthcare or medicine due to financial constraints.

**In light of these challenges, we are in favour of supporting the Government's initiative to increase the SCT in the public interest. The rising cost of living, coupled with the disparities in healthcare costs, necessitates a thoughtful and proactive approach to address the financial burden on both individuals and the broader community.**

Drawing from our experiences, we have observed instances where clients/community members, post-visa approval, neglect to purchase private health insurance. Consequently, when emergency healthcare is sought, they find themselves in a precarious financial situation, leading to requests for fee waivers based on their status as a 'low-income family.' This has, and continues to, cause financial losses to the Australian community.

To mitigate such challenges, **we propose that the Department of Home Affairs considers making it compulsory for individuals to purchase private health insurance before visa approval.** This pre-emptive measure seeks to ensure that individuals are adequately covered and can contribute to a sustainable and equitable healthcare system in Australia.

In conclusion, we look forward to continued dialogue and collaboration with the Department of Home Affairs on these critical matters. Your ongoing efforts to enhance the migration system and address the challenges associated with healthcare costs are commendable, and we are enthusiastic to contribute to the development of effective and fair policies that benefit both the Australian community and prospective migrants.

Thank you for your attention to these important issues.

Yours sincerely,

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