Australian
Private Hospitals
Association

MBS Review: Report from the Pain Management Clinical Committee 2018

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Introduction

The Australian Private Hospitals Association (APHA) is appreciative of the opportunity to make a submission to the Medicare Benefits Schedule (MBS) Review in response to the recommendations in the report from the Pain Management Clinical Committee.

In this response, the APHA has focused on issues that could arise for private hospitals if these recommendations were adopted. Some of these issues lie outside the scope of the terms of reference for the MBS Review, for example they pertain to potential implications for the regulations governing private health insurance.

The Private Health Insurance (Benefit Requirements) Rules 2011 (Compilation No. 57, as of 1 April 2019: "the Rules") make detailed reference to relevant MBS items, and it is therefore essential to consider whether recommendations from the MBS Review will give rise to the need for changes to private health insurance regulation.

The issues in this submission are raised with the intention of informing implementation of the proposed recommendations should they be adopted by the Australian Government.

The APHA also advocates there should be sufficient time allocated by the Department of Health for the implementation of the flow-on changes when changes are made to the MBS, such as the Rules (above) and the National Procedure Banding Committee processes, especially when there are changes to a large number of MBS items simultaneously.

In making these comments, APHA remains fully supportive of the objectives of the MBS Review and recommendations intended to promote sound, evidence-based clinical practice.

The APHA is largely supportive of the recommendations made in these reports and will therefore not address all recommendations separately. Below are the APHA comments for a select number of recommendations.

Overall comments

The APHA respects the Pain Management Clinical Committee has made recommendations to better reflect the clinical service provided and promote best clinical practice. However, some of these recommendations will create cost pressures in the private sector making them difficult for private hospitals to implement as they will not be reflected in current contracts between hospitals and insurers. This applies, in particular, to recommendations 5, 8, 10, 11, 12 and 16 which amend existing item descriptors which potentially increase the complexity of the procedure.

It is the view of the APHA if the Australian Government accepts these recommendations, they should be implemented in a manner allowing the industry adequate lead-time to negotiate the necessary contract changes.

To minimise the amount of feedback provided, this document does not provide specific comment on the appropriate classification under the Rules for MBS items proposed to be combined into one item where all items being combined have the same classification under the Rules. It is assumed the current classification remains appropriate and will be retained.

Reforms to private health insurance (PHI)

Government reforms commencing 1 April 2019, is classifying private health insurance hospital products as gold, silver, bronze or basic.

Any changes to MBS items arising from the MBS Review, including this Committee's recommendations, will need mapping against the new hospital product classifications and clinical definitions.

Multidisciplinary chronic pain management

The APHA welcomes the numerous options the Committee has put forward as recommendations for improving the management of chronic pain by supporting a multidisciplinary approach. In considering which options may be adopted and how they would be implemented, the APHA would like to make the following comments on some specifics of the recommendations.

Proposal to share medical records

While sharing medical records will assist to support multidisciplinary care, the role of My Health Record should not be duplicated. Additionally, issues some hospitals are having in relation to implementing My Health Record would need to be addressed to enable this recommendation to achieve its desired outcome.

Proposal to accredit participating allied health professionals in chronic pain management

Allied health professionals are employed by private hospitals and are accredited to a standard enshrined in contracts between hospitals and insurers. Significant changes to

contractual arrangements would be required if accreditation standards different to those already in place are required. This would have significant impact on hospitals not only in terms of administrative requirements but also in terms of patient access to hospital services.

Time-based approach to consultations

Recommendation 31 states, "if items 132 and 133 are changed to a time-based consultation" (p69). However, recommendations regarding these items are also being made through other MBS Review processes, such as Recommendation 5 from the *Report from the Specialist and Consultant Physician Consultation Clinical Committee, 2018* (p44).

Department of Health will need to ensure consistency across the recommendations of these reports.

The APHA reserves its comments on time-based consultations raised in Recommendation 31 and will provide these comments when it responds to the Specialist and consultant physicians report where there are numerous recommendations to implement time-based consultations.

Nerve blocks and spinal injections recommendations

Recommendation 12: This recommendation includes a proposal to amend the descriptor for item 39118, create an additional 5 new items, and restricting the number of episodes of treatment per year.

Item 39118 (for left cervical percutaneous neurotomy) is classified as a Type B non-band specific Type B surgical procedure. The proposed changes to the descriptor for item 39118 may affect classification under the Rules given the changes clarify the procedure relates to the cervical region of the spine which is more complex than the procedure in other spinal areas. The impact on the classification under the Rules needs to be confirmed.

In relation to the new items, APHA recommends consultation on their appropriate classification, noting the proposed new item for right cervical percutaneous neurotomy would need to be classified consistent with the classification of item 39118 (which is for the same procedure but a different side of the spine).

The recommendation also proposes limits relating to the number of episodes per region of the spine treatable per year. However, the recommendation did not provide the proposed wording for review. As the proposed wording will affect administrative arrangements within hospitals to demonstrate compliance, the clarity of the wording is important. Consequently, the APHA reserves its view on this recommendation.

Recommendation 13: This recommendation includes a restriction on the number of episodes of treatment per nerve per year. However, the recommendation did not provide the proposed wording for review. As the proposed wording will affect administrative

arrangements within hospitals to demonstrate compliance, the clarity of the wording is important. Consequently, the APHA reserves its view on this recommendation.

Implanted devices recommendations

Recommendation 16: This recommendation proposes to amend several MBS item descriptors.

Items 39131 and 39136 are not classified under the Rules. In relation to item 39136, it may be prudent to review whether it should be classified under the Rules given the proposed changes clarify the procedure requires open surgical removal which implies the service is associated with a hospital benefit. It is not clear if item 39131 should also be classified under the Rules. The APHA reserves its views on the appropriate classification of either of these MBS items pending the outcomes of consultation in this regard.

Recommendation 17: This recommendation includes a proposal to include an Explanatory Note which states that 'Access to items 39130 and 39138 are restricted to use by appropriately trained practitioners'.

The wording of any Explanatory Note limiting prescribing is important as this will influence the compliance activities undertaken and the requirements hospitals and healthcare practitioners will need to abide by. In this context, the APHA recommends clarification be provided on what is meant by 'appropriately trained practitioners'.

Whilst the APHA appreciates the necessity to review and audit certain aspects of the MBS, the Department of Health should remain mindful of administrative and storage burdens these kinds of requirements place on clinicians and private hospitals. The APHA is concerned these requirements must not lead to more complex certification processes than those already required under the Rules.

Recommendation 19: This recommendation proposes the introduction of an Explanatory Note, which advises on best practice for the implantation of pain management devices. In order to avoid confusion amongst payers, it is important to emphasise this Note is advisory in nature only. If this Explanatory Note is intended to reflect the conditions under which MBS payment is due (and therefore is associated with compliance activities), the text will need clarification regarding what is meant by the following terms:

- Appropriately qualified
- Appropriate follow-up
- Validated measures.

Private hospitals in Australia

The private hospital sector makes a significant contribution to health care in Australia, providing a large number of services and taking the pressure off the already stretched public hospital system.

According to the most recent data available, the private hospital sector treats:

- 4.4 million separations a year.

In 2016–17, it delivered:

- More than a third of chemotherapy
- 60% of all surgery
- 79% of rehabilitation
- 73% of eye procedures
- Almost half of all heart procedures
- 73% of procedures on the brain, spine and nerves.

Australian private hospitals by numbers:

- Half (49%) of Australian hospitals are private
- 657 private hospitals made up of:
    - 300 overnight hospitals
    - 357-day hospitals
- 34,339 beds and chairs
    - 31,029 in overnight hospitals
    - 3,310 in day surgeries
- 69,299 full-time equivalent staff (AIHW 2018, ABS 2018).

The Australian Private Hospitals Association

The APHA is the peak industry body representing the private hospital and day surgery sector. About 70% of overnight hospitals and half of all day surgeries in Australia are APHA members.