

Professor Bruce Robinson
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Dear Professor Robinson

MBS Review – Paediatric Surgery

Thank you for the opportunity to comment on the 2019 report from the Paediatric Surgery Advisory Group. The Australian Private Hospitals Association (APHA) is generally supportive of the proposed recommendations, but wishes to make the following points.

The APHA emphasises **sufficient time must be provided by the Department of Health** for any item to be classified or reclassified within the National Procedure Banding Schedule (NPBS), and the resulting changes to be provided to hospitals in advance of them taking effect.

APHA advocates the Department of Health provide full details of amended and new items (proposed fee, proposed classification in the *Private Health Insurance (Benefit Requirement) Rules 2011*, and any proposed amendments to descriptors) **at least 90 days prior** to the effective date. This is to allow sufficient time for them to be considered by the National Procedure Banding Committee, and for hospitals and health insurers to negotiate and implement necessary contract and system changes.

Furthermore, new items require classification in the *Private Health Insurance (Benefits Requirements) Rules 2011* where appropriate. APHA advocates:

- Recommendation 3 is to add two new items for circumcision procedures. These new items would have to be classified appropriately within the Rules. Circumcision revision does not currently have an item on the MBS (hence the addition under this recommendation), however, according to the Advisory Group report (page 18) clinicians have been using 30658 for minor revisions and 45206 for more significant revisions. Those items are currently classified as:
 - Item 30658 – Type B non-band specific Type B procedure
 - Item 45206 – Type A Surgical patient

It would therefore seem appropriate the two new items were also classified as Type B non-band specific (for minor revisions) and Type A Surgical patient (for significant revisions).

- Recommendation 5: The proposed 30% fee increase for inguinal hernia repairs in patients under 12 months old may require these MBS items to be reclassified within the National Procedure Banding Schedule. As stated above, hospitals and insurers will need to be provided enough time after the release of all information to implement these changes prior to the effective date.

The APHA supports recommendations 6 and 7, where complex surgical procedures are proposed to be restricted to the hospital setting. As the Advisory Group notes, doing so will ensure patients receive care in a safe environment where relevant standards for quality control and other accreditation requirements are met. The APHA suggests the Department considers adding an explanatory note or further guidance to clinicians in support of these recommendations. This intent should also be reflected in the allocation of these items in the *Private Health Insurance (Benefits Requirements) Rules 2011*.

We welcome the opportunity to comment on this report, and we look forward to further discussions regarding the implementation of recommendations once these are finalised.

Yours sincerely

A handwritten signature in black ink that reads "Lucy Cheetham". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Lucy Cheetham
DIRECTOR POLICY AND RESEARCH
19 DECEMBER 2019