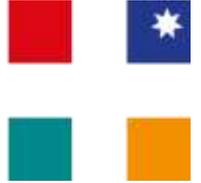


Australian  
**Private Hospitals**  
Association



# MBS Review: Report from the Urology Clinical Committee 2018

15 November 2018

Australian Private Hospitals Association ABN 82 008 623 809

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# Introduction

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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 Urology Clinical Committee (2018).

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. 51, as of [24 September 2018](#): “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 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 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.

# General feedback

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## Removal of the word 'Assist' from eight item descriptions

The APHA notes the Urology Clinical Committee has made recommendations to remove the word 'Assist' from eight item descriptors (items 37215, 37219, 36842, 36818, 36833, 37318, 37221 and 36863). The Committee's reasoning for doing this is:

"Developments in technology mean that surgical assistants are no longer required to perform these procedures safely." (p.14)

The APHA agree the eight procedures affected by this change are less complex in nature. However, the Committee has failed to recognise the proposed change may reduce opportunities for vocational surgical registrars and service surgical registrars to gain access to valuable training opportunities.

The private sector provides education and training for medical interns, junior doctors and registrars, and whilst this training is sometimes partially funded by government programs (such as the Specialist Training Program and the Commonwealth Medical Internships), the ability of these registrars to attend procedures and to bill for these under the 'Assist' MBS items is integral to the viability of training opportunities in the private sector.

It would be undesirable if there was a wider move under the MBS Review to remove the 'Assist' from a large number of items.

## New items

All new items from the recommendations should be added to the Rules where appropriate if adopted by the Australian Government. The new items from the recommendations are;

- Items 370AA, 370BB, 370CC, 370DD, 370EE (recommendation 1)

The comparator items for these new items are 37000 and 37014, which are classified as Type A, surgical patient and Type A, advanced surgical patient respectively. The APHA suggests the following classifications should the items be created as per the recommendation:

- Items 370AA, 370CC, and 370EE as Type A, Advanced surgical patient
  - Items 370BB and 370DD as Type A, surgical patient.
- Items 366AA and 366BB (recommendation 2)

For item 366AA, the recommendation is to consolidate items 36603 and 30566. Both of the existing items are classified as Type A, advanced surgical patient, therefore item 366AA should also be classified as Type A, advanced surgical patient.

For item 366BB, the recommendation is to consolidate items 36606 and 30566. Both of the existing items are classified as Type A, advanced surgical patient, therefore item 366BB should also be classified as Type A, advanced surgical patient.

- Item 3657X (recommendation 5)

The new item 3657X should be classified as Type A, surgical patient, in line with the current classification of item 36579.

- Item 372AA (recommendation 7)

This new item for needle biopsy has been recommended for a schedule fee of 20% less than current item 37219. Item 37219 is classified as Type B, non-band specific type B day procedure, and item 372AA should also be classified as Type B, non-band specific type B day procedure.

- Items 37210A and 37211A (recommendation 8)

The comparators for these suggested items, items 37210 and 37211, are both currently classified as Type A, advanced surgical patient. Therefore, the new items 37210A and 37211A should also be classified as Type A, advanced surgical patient.

- Items 3682X and 3682Y (recommendation 10)

For item 3682X, the recommendation is to combine services for items 36818 and 36821. For item 3682Y, the recommendation is to combine services for items 36818, 36821 and 36833.

All three of the existing items (items 36818, 36821 and 36833) are classified as Type B, non-band specific type B day procedures. If accepting these recommendations, the Australian Government will have to consider whether the bundling of these services makes the procedure more complex. Further consultation should be conducted by the Department of Health on appropriate classification. The APHA reserves its view on the classification of these items.

- Items 30642A and 30642B (recommendation 17)

The new items 30642A and 30642B should be classified as Type A, surgical patient, in line with the current classification of item 30642.

- Item 37340X (recommendation 33)

The new item 37340X should be classified as Type A, surgical patient, in line with the current classification of item 37340.

- Items 37042A, 37042B and 37042C (recommendation 65)

The new items 37042A, 37042B and 37042C should be classified as Type A, advanced surgical patient, in line with the current classification of 37042.

# Urology recommendations

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The APHA is largely supportive of the recommendations made in the urology clinical committee report, and will therefore not address all recommendations separately. Below are the APHA comments for a select number of recommendations.

Recommendation 23: The Committee recommends an increase in the schedule fee for item 37372, to a similar level of the current item 37029. Currently, the Rules classify these items as follows;

- Item 37372 is classified as Type A, surgical patient
- Item 37029 is classified as Type A, advanced surgical patient.

The APHA suggests moving the classification for item 37372 to Type A, advanced surgical patient in line with the Committee's recommendation for the fee increase.

Recommendation 37: This recommendation seeks to consolidate items 37444 and 36549 into the latter, however, these MBS items are currently classified differently under the Rules:

- Item 37444 is classified as Type A, advanced surgical patient
- Item 36549 is classified as Type A, surgical patient.

This recommendation is effectively consolidating an advanced surgical patient into a surgical patient, which will mean a loss of complexity and remuneration for the procedure. The APHA suggests reclassifying item 36549 as Type A, advanced surgical patient to accommodate the more complex service.

Recommendation 67: The Committee has suggested changing the rule classification for item 11919 from Type C to Type B to (in-patient day) to require this procedure to be performed in-hospital.

The rationale for moving this classification (on p.150) is because it is clinically appropriate, because it will ensure hospitals are fully remunerated for the procedure and because currently patients may be uncertain regarding the coverage of the procedure by their health funds.

The APHA supports this recommendation.

# Private hospitals in Australia

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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.