



The Medicare Benefits Schedule Review

Our objectives, methodology, and state of play

4th MABEL Research Forum

Melbourne, Friday 6 May 2016

**Professor Bruce Robinson
Chair, MBS Review Taskforce**

What motivates me?

- Health care has advanced and the ***MBS has not kept pace***
- The MBS contains anomalies and is ***not consistent*** with current clinical practice guidelines
- There is a significant amount of ***low or no-value care***, some of which is driven by the MBS
- The MBS is not a ***driver*** of quality care and data collection is inadequate
- A belief in health and medical research to better inform health systems and individual patient care

What's the gap?

- The MBS is seen as a funding instrument, not as a tool for better care
- There is frustration that the MBS has not been over-hauled in 30 years
- Clinicians are aware of the anomalies and variations in use of the MBS
- Clinicians are frustrated by the 'waste'

How will we address these issues?

- A clinician-lead review of the MBS
- A review of Primary Health Care
- Solutions require assistance from all of the people who work in this area and the people who pay for, and benefit!

Why do I believe this is going to work? Who else believes this?

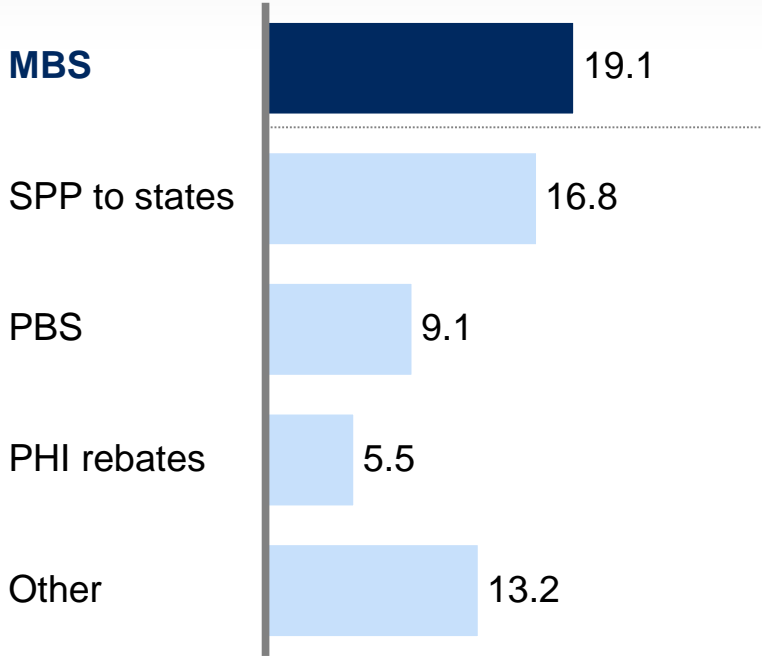
- Clinicians and consumers are supportive
- The Colleges are supportive
- The AMA is supportive
- The Minister is supportive
- The process is using evidence, data, clinician opinion and consumer input
- We are proceeding methodically, with good support from the Department of Health

What's in it for you?

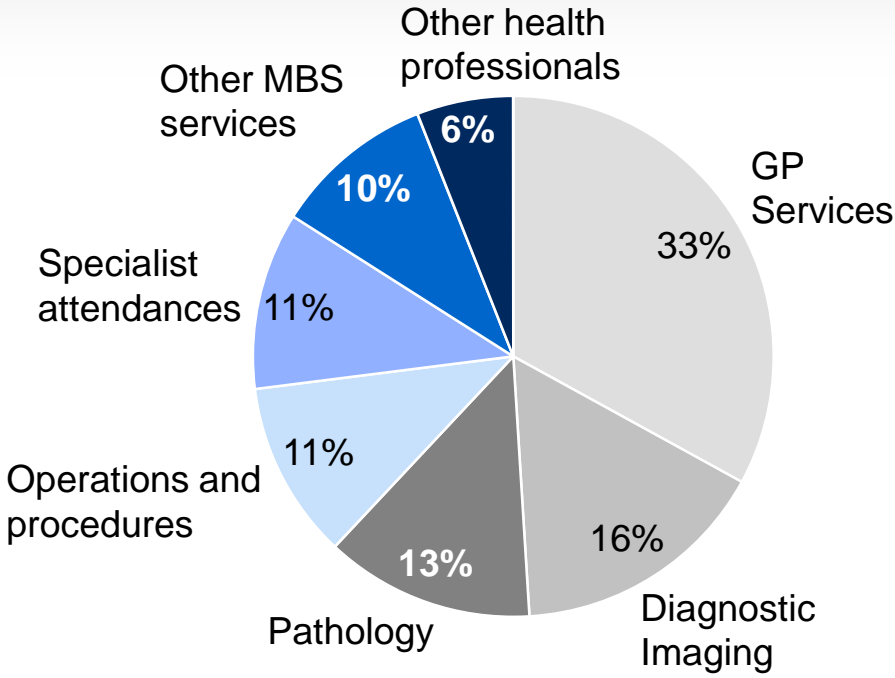
- Health consumers – better health care
- Community/society – better value for taxes
- Clinicians – satisfaction that the care is more efficient, appropriate, effective and the 'best and latest'
- Corporates – costs aligned to rebates, not dependent on 'cross-subsidies'

The MBS is a significant component of the Australian healthcare system

Federal Government health expenditure ¹
AUD (billions), 2013-14



Breakdown of MBS expenditure ²
Percent, 2013-14

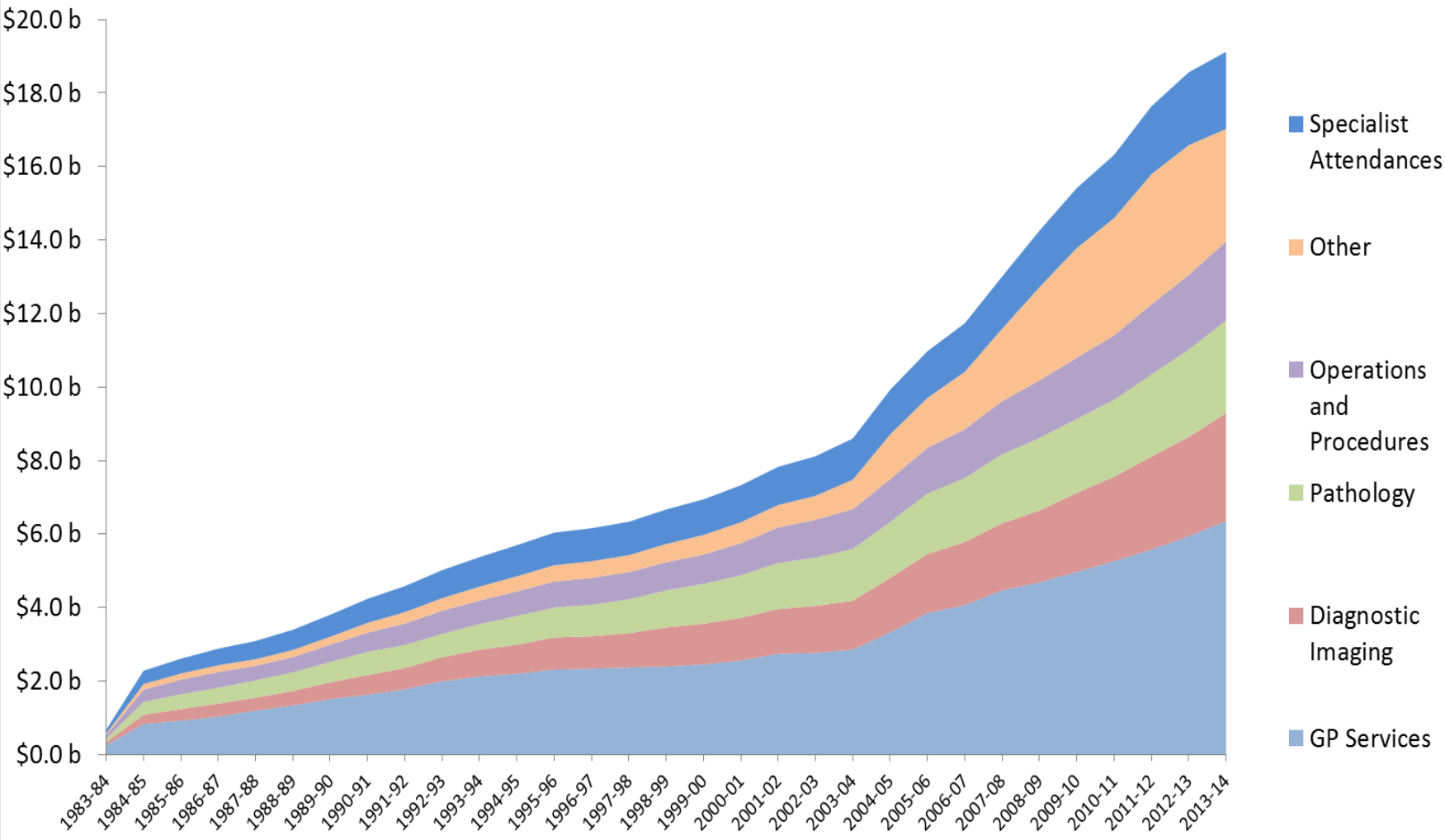


Medicare benefits constitute ~ 30% of Australian Government health expenditure

¹ Not including capital expenditure

² Operations and Procedures include anaesthetics services; other MBS services include radiotherapy, obstetrics, IVF and other diagnostics; other health professionals include optometry, allied health and psychology services

Expenditure through Medicare since 1984



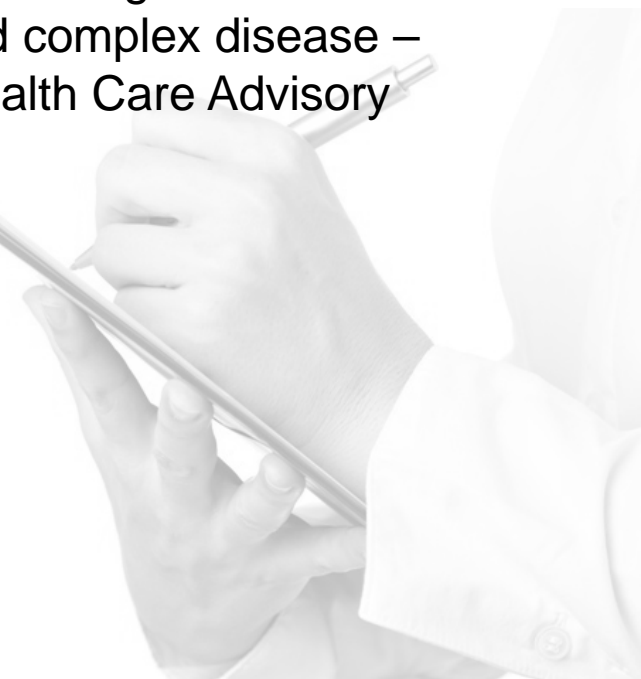
Terms and references for the MBS review

In scope

- All current MBS items and the services they describe
- Increasing the value derived from services
- Concerns about safety, clinically unnecessary service provision and concurrence with guidelines
- Evidence for services, appropriateness, best practice options, levels and frequency of support
- Legislation and rules that underpin the MBS

Out of Scope

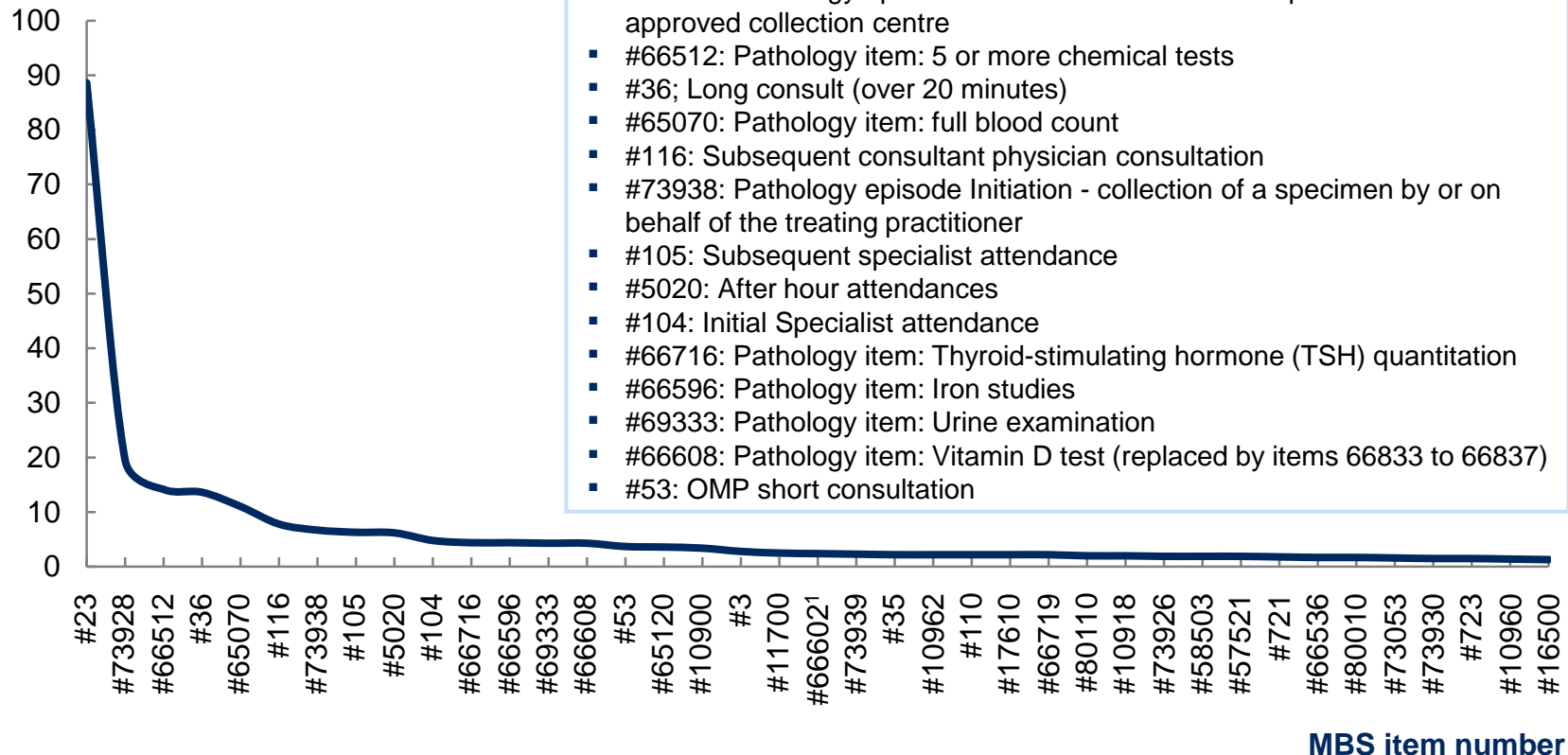
- Division of responsibilities between Government – Federation White Paper
- Innovative funding models for chronic and complex disease – Primary Health Care Advisory Group



It will be challenging to evaluate over 5,700 items in the review timeframe

Top 40 Medicare Benefits Schedule services, 2013-14

Number of services
Millions



- TOP 15 items**
- #23: Standard consult (under 20 minutes)
 - #73928: Pathology episode Initiation - collection of a specimen in an approved collection centre
 - #66512: Pathology item: 5 or more chemical tests
 - #36; Long consult (over 20 minutes)
 - #65070: Pathology item: full blood count
 - #116: Subsequent consultant physician consultation
 - #73938: Pathology episode Initiation - collection of a specimen by or on behalf of the treating practitioner
 - #105: Subsequent specialist attendance
 - #5020: After hour attendances
 - #104: Initial Specialist attendance
 - #66716: Pathology item: Thyroid-stimulating hormone (TSH) quantitation
 - #66596: Pathology item: Iron studies
 - #69333: Pathology item: Urine examination
 - #66608: Pathology item: Vitamin D test (replaced by items 66833 to 66837)
 - #53: OMP short consultation

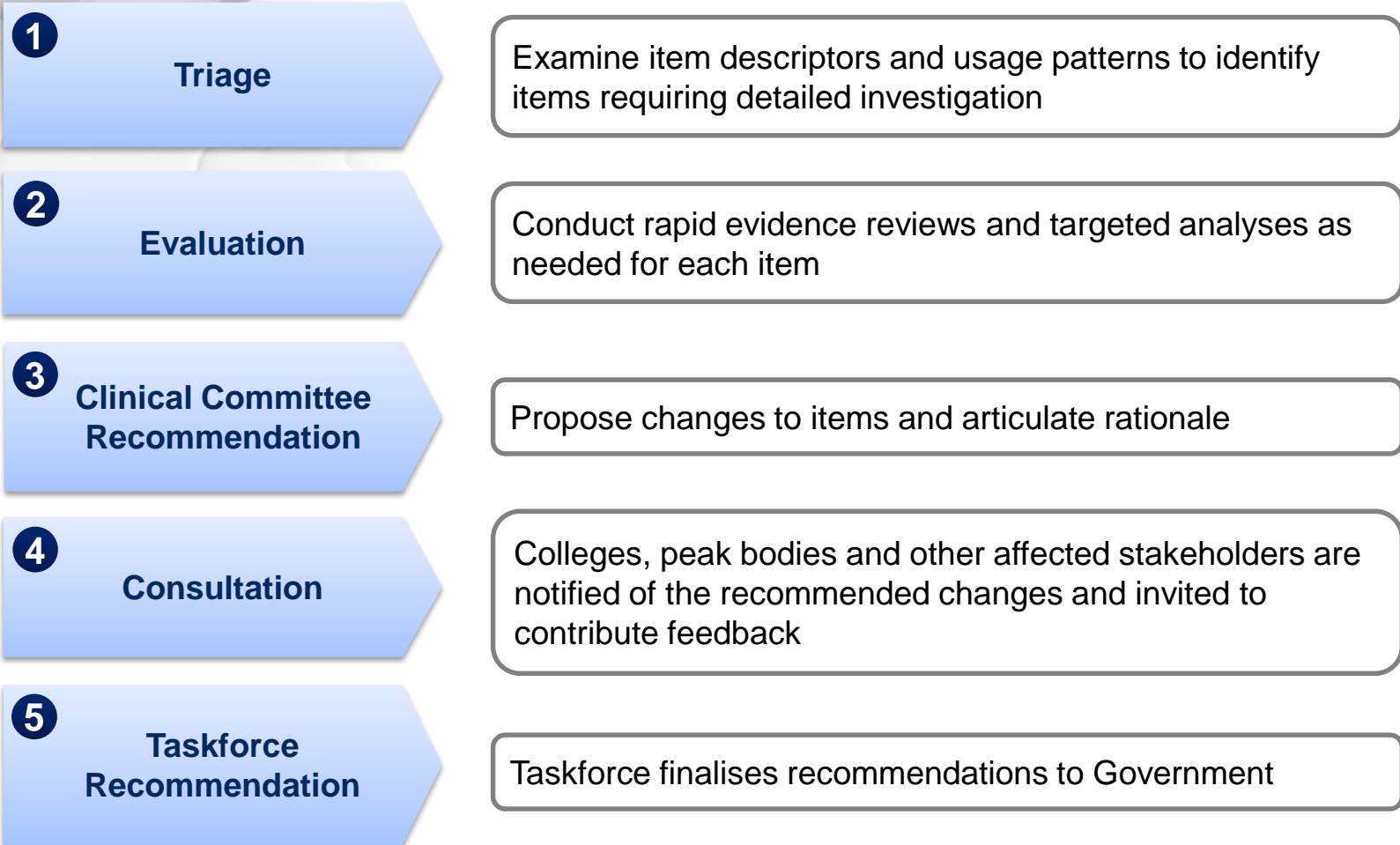
The 40 most common MBS items (0.7%) account for ~70% of all services

1 Item recently amended which will change service volumes

Review methodology

- Clinician-led review and significant consultation with stakeholders
 - Clinicians
 - Consumers
 - Industry
 - Other health disciplines, including public health
- Clinical Committees
 - Discipline-specific clinical committees
 - Subordinate working groups for reviews of particular services
 - Membership is broad-based:
 - Clinicians, requestors, generalists, academics with public health and health economics expertise, consumers
 - Members are an expert in their own right and not a 'representative' of an organisation
 - By mid-2017 when our report is to be finalised, we expect to have up to 40 clinical committees and working groups involving more than 500 clinicians.

The Clinical Committees are following a consistent five-step approach



To ensure the Review is clinically led, each category is being evaluated by a peer-nominated clinical committee

Clinical Committee – First Tranche

	<u>Chair</u>	<u>Examples of members</u>
Obstetrics	Prof. Michael Permezel	Midwife, GP obstetrician, specialist OB, rural obstetrician, pathologist
Diagnostic Imaging	Prof. Ken Thomson	Radiologist, nuclear medicine specialist, GP, health economist
Gastroenterology	Prof. Anne Duggan	Gastroenterologist, general surgeon, GE nurse, GP
Thoracic	Prof. Christine Jenkins	Thoracic medicine, respiratory and sleep specialists, GP
Ear, Nose and Throat	Prof. Patrick Guiney	ENT surgeon, paediatrician, GP working in Indigenous health
Pathology	Associate Prof. Peter Stewart	Pathologist, haematologist, endocrinologist, immunologist

Clinical Committees – Second tranche

- The second tranche of Clinical Committees is underway
- This tranche includes:
 - Cardiac Services
 - Cardiology and cardiothoracic surgery
 - Dermatology, Allergy & Immunology
 - Skin conditions and allergy testing (skin cancer surgery review completed)
 - Endocrinology
 - Includes endocrine surgery
 - Intensive Care and Emergency Medicine
 - Includes neonatology
 - Oncology
 - Chemotherapy and radiation oncology (not cancer surgery)
 - Renal Medicine
 - Includes dialysis

Obsolete items – first tranche

- 23 MBS items were identified by Clinical Committees as obsolete.
 - *Diagnostic Imaging: 58706, 58924, 59503, 59715, 59736, 59760, 61465*
 - *Ear, Nose and Throat Surgery: 11321, 18246, 41680, 41695, 41758, 41761, 41846, 41849, 41852*
 - *Gastroenterology: 13500, 13503, 30493, 32078, 32081*
 - *Obstetrics: 16504*
 - *Thoracic Medicine: 11500*
- Public consultation from 18 December 2015 to 8 February 2016
- The Taskforce reviewed feedback and made recommendations to Government
- Government announced the first obsolete items in the Federal Budget
 - 24 items removed and two diagnostic imaging items restricted
 - Saving of \$5.1 million over four years
 - Importantly: removal of low-value care items effective from 1st July 2016



Email : MBSReviews@health.gov.au



Website : <http://www.health.gov.au/internet/main/publishing.nsf/Content/MBSReviewTaskforce>