



THE AUSTRALASIAN COLLEGE OF DERMATOLOGISTS

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11th November, 2016

Ms Tracey Duffy
Assistant Secretary to the Minister of Health, The Hon Sussan Ley MP
Medical Benefits Division, Private Health Insurance
GPO Box 9848
CANBERRA ACT 2601

By email: tracey.duffy@health.gov.au

Dear Ms Duffy,

RE: PROPOSED CHANGES TO MBS SKIN SURGERY ITEM NUMBERS AND PRIVATE HOSPITAL THEATRE AND ACCOMODATION BANDING DESIGNATION

I write as a matter of urgency to you regarding the proposed changes to the Hospital and Theatre Banding for certain Medicare Benefits Schedule skin surgical item numbers. The Banding Committee is scheduled to meet on Monday 14th November, 2016.

I am sure you are aware of the concern being caused and the controversy surrounding these proposed changes. The Australasian College of Dermatologists (ACD) shares these concerns and wishes to ensure you are aware that patients treated by Dermatologists (and other specialists) will be adversely affected by the changes. Specifically, these affected patients will not have financial certainty of cover from their private health insurance provider for procedures previously covered.

The ACD has, over the past 3 or more years, been actively involved in advising the Department of Health and the Medicare Benefits Scheme executives in rationalizing the 57 previous item numbers and developing 28 new items for skin surgery. This process involved several Fellows of College regularly travelling to Canberra to meet and thoroughly go through all aspects of the Schedule to deliver the new MBS numbers. The ACD was pleased to have contributed to this process with other stakeholders.

Controversy however surrounds the lack of consultation with doctors, particularly the ACD, when deciding upon the Private Hospital accommodation and theatre banding schedule for these new numbers. At no stage were the ACD representatives, involved in the MBS skin surgery item review, asked to review the banding and it was assumed by all that banding of procedures would remain unchanged.

There are 3 surgical procedures (now covered by new item numbers – 31357, 31362 & 31365) which are to be downgraded from banding B to C. As such, Private Health funds may be able to deny cover and payment to patients for removal of some skin cancers or other suspicious lesions covered by these item numbers. This is a significant error that will potentially adversely affect numerous patients.

Australia has the highest rates of skin cancer in the world and we need to ensure that:

1. our health system supports patients who require these lesions removed,
2. patients have financial certainty of their insurance cover, and
3. doctors continue to have the ability to make a clinical decision in the best interest of the patient (and unchallenged by a health insurance provider) to perform these procedures in a day surgical or private hospital facility.

The ACD strongly supports maintaining the previous banding arrangements and to cover procedures, taking into account the changed item numbers, as previously classified.

If banding changes are proposed, we request that a group of stakeholders, including representatives of the ACD, be involved to thoroughly discuss the issue of change. It will be regrettable if unanticipated and last minute changes, such as those proposed, resulted in loss of the good will and cooperation that has characterized this process thus far.

Yours sincerely



A/Prof Chris Baker
President
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c.c.

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