



# THE AUSTRALASIAN COLLEGE OF DERMATOLOGISTS

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4 May 2018

**Secretariat, Clinical Definitions Working Group  
Private Health Ministerial Advisory Committee  
Department of Health  
Canberra ACT 2601**

**Via Email: [PHIConsultation@health.gov.au](mailto:PHIConsultation@health.gov.au)**

To the Secretariat,

**RE: Draft standard clinical definitions for private health insurance hospital treatment policies**

The Australasian College of Dermatologists (ACD) is the sole medical college accredited by the Australian Medical Council for the training and continuing professional development of medical practitioners in the specialty of dermatology. The College is the leading authority for dermatology, providing information, advocacy and advice to individuals, communities, government and other health stakeholders on dermatological practice in Australia.

The Private Health Ministerial Advisory Committee was established to provide the Government with advice on private health insurance reforms, including developing standard definitions for medical procedures across all insurers for greater transparency and simplifying billing. The Clinical Definitions Working Group has subsequently developed 37 draft standard clinical definitions for consultation. The ACD welcomes the opportunity to provide comment on the draft standard clinical definitions relating to ‘Surgery for skin and skin lesions’.

According to the draft description, surgery for skin and skin lesions refers to ‘Admission for investigation and/or treatment of skin and skin-related conditions. For example: melanoma, wound repair, removal of foreign bodies, surgery to the nails and treatment of abscesses.’ The MBS items listed for this clinical definition exclude skin graft and flap repairs; these items have been included in the ‘Plastics and Reconstructive Surgery’ category, aligning with their categorisation in the Schedule (sub-category T8:13).

The College has considerable concerns about the exclusion of skin graft and flap items from the definition of ‘Surgery for skin and skin lesions’. Lesion excision invariably involves several options for wound repair and closure, determined by a number of factors such as anatomical site and depth. For more complex surgical procedures, skin grafts or flaps may be required and are inextricably linked with the excision that has just been performed. Separating these two critical steps into different clinical definitions for private insurance purposes is not deemed to be logical from a procedural perspective, nor fair to the consumer as it requires the purchasing of different insurance products. Because of this exclusion, patients may believe they have adequate cover for skin lesion surgery (basic and bronze) but will not be insured for the more expensive reconstructive items associated with their skin cancer treatment (silver and gold).

For greater billing transparency, less consumer confusion and the avoidance of insurance loopholes, the College strongly advocates for inclusion of skin flap and graft item numbers into the standard clinical definition of 'Surgery for skin and skin lesions'. Furthermore, the College is of the view that it is timely for these items to be moved into section T8:1 (General Surgery) of the schedule to better correspond with their utilisation in routine clinical practice.

Thank you for your consideration in this matter. If you have any queries relating to this submission, please contact Dr Haley Bennett at [haley@dermcoll.edu.au](mailto:haley@dermcoll.edu.au).

Kind regards,

A handwritten signature in black ink, appearing to read 'Andrew Miller', with a small flourish underneath.

**Dr Andrew Miller FACD**  
**President**  
**The Australasian College of Dermatologists**