



THE AUSTRALASIAN COLLEGE OF DERMATOLOGISTS

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13 August 2018

**Secretariat
Private Health Ministerial Advisory Committee
Department of Health
Canberra ACT 2601**

Via Email: PHIConsultation@health.gov.au

To the Secretariat,

RE: Exposure Draft - Private Health Insurance (Reforms) Amendment Rules 2018

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 Government-led reforms to private health insurance (PHI) via the *Private Health Insurance Legislation Amendment Bill 2018* aim to drive transparent and more affordable PHI for Australian consumers. The schedule amendments outlined in the exposure draft of the *Private Health Insurance (Reforms) Amendment Rules 2018* will facilitate implementation of several of these reforms by insurers. The College welcomes the opportunity to provide the following specific comments relating to dermatology.

The College is pleased to note the revision of the clinical category 'Skin' defined in Schedule 4, in that plastic surgery relating to the treatment of a skin-related condition is also now included within this category. In May 2018, the College had raised the concern that the previous draft clinical category 'Surgery for skin and skin lesions' excluded skin graft and flap items; rather, these were covered in the 'Plastics and Reconstructive Surgery' category. This separation was not deemed to be logical procedurally and would also require purchasing of different products to provide adequate cover for both skin cancer excision and for complex wound repair and closure, if required by a patient. The College is satisfied that the clinical category definition now accurately reflects the principle of diagnosis-guided complete episodes of care for the treatment of skin cancer.

The College also notes that Type C procedures – those that normally do not require hospital treatment unless certified by the treating medical practitioner in accordance with the *Private Health Insurance Act 2007* and *Private Health Insurance (Benefit Requirements) Rules 2011* – are included in the list of MBS items for which benefits must be paid. This is supported by the College as it should ensure that patients requiring exemptions will not be adversely affected. A document endorsed by the College, the Australian Society of Plastic Surgeons, General Surgeons Australia and the Australian Medical Association outlines the criteria for which certification is acceptable.¹

Compliance to the PHI Amendment Rules by insurers is paramount and there are concerns that this may be a hurdle to the implementation of reforms. Given the diversity of PHI products and insurers,

it is essential that a vigilant approach be taken by Government to ensure that consumer need is at the forefront and transparency is maintained throughout the reform process.

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.

Kind regards,

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

Dr Andrew Miller FACD
President
The Australasian College of Dermatologists

1. Criteria for Type C Banding Certification: A Guide for Medical Practitioners. A Collaboration with the Australasian College of Dermatologists, the Australian Society of Plastic Surgeons, General Surgeons Australia and the Australian Medical Association. <https://www.dermcoll.edu.au/wp-content/uploads/Criteria-for-Type-C-Banding-Certification-ASPS-ACD-GSA-AMA-June-2018-FINAL.pdf>