



30 July 2013

Department of Health and Ageing  
Chemotherapy Review  
MDP 901  
GPO Box 9848  
Canberra ACT 2601

**By email:** [chemoreview@health.gov.au](mailto:chemoreview@health.gov.au)

To Whom It May Concern:

### **Review of funding arrangements for chemotherapy services**

Bupa Australia Pty Limited (**Bupa**) welcomes the current review of funding arrangements for chemotherapy services (the **Review**) and agree that it is important to maximise the benefits that consumers receive from chemotherapy infusions by ensuring efficient and effective clinical processes and appropriate funding arrangements for the preparation and supply of chemotherapy medicine infusions.

Bupa's submission in response to the review of funding arrangements for chemotherapy services consultation paper (the **Consultation Paper**) is set out below.

#### **About Bupa Australia and New Zealand**

Bupa Australia and New Zealand's purpose is to help people live longer, healthier, happier lives.

Bupa is Australia's largest privately managed health insurer, covering around 3.5 million people. Our products and services include hospital cover, medical, ancillary and ambulance services; as well as access to travel, car and home insurance.

Bupa's private health insurance business is regarded as an industry leader in the promotion of preventive health and wellness via health phone coaching (Bupa Health Dialog), corporate health services (Bupa Wellness), eye care (Bupa Optical) and dental (Dental Corporation). Bupa is also the largest private operator of residential aged care facilities in Australia and New Zealand. Our employees provide care and services to more than 9000 residents across 107 homes; and we offer respite, low, high and dementia care, enabling residents to age respectfully and in peace.

Additionally, we operate 20 retirement villages, a post traumatic brain injury rehabilitation service and have more than 11,000 personal medical alarm customers in New Zealand.

Bupa focuses on providing sustainable healthcare solutions that represent real value. Bupa's Australian and New Zealand businesses are part of the international Bupa Group, which cares for more than 13 million people in over 190 countries.

## Overarching comments

Bupa welcomes the review of funding arrangements for chemotherapy services. We agree that it is necessary to maximise the benefits that consumers receive from chemotherapy infusions and that it is important that Government and pharmacists work together to ensure Australians are able to receive efficient and effective clinical processes through appropriate funding mechanisms.

While the arrangements between the Government and pharmacists are out of the scope of insurers in this regard, as detailed in the consultation paper, insurers cover a vast number of clinical services that are associated with chemotherapy infusion preparation. Bupa's response from the perspective of health insurer responsibilities is detailed below.

## Terms of reference 1 and 2: How chemotherapy medicine infusions are provided, the role of each sector, and how services and funding have changed over time

Bupa notes on page 7 of the Consultation Paper that some stakeholders have suggested that the cost of containers and devices relating to chemotherapy medicines should be funded under the PBS. Bupa acknowledges that PBS drug prices do not generally fund the costs of containers and devices and does not believe that the PBS should be extended to cover the cost of such items where those costs relate to and are incurred in the hospital setting.

Bupa is aware that some insurers extend coverage for such containers and devices via their allied health products. Bupa does not currently offer ancillary table products of this nature for non-admitted patients, however, under Bupa's existing hospital table products these items relating to chemotherapy delivered on an admitted patient basis are funded for our members.

In relation to health insurer obligations, Bupa notes the comments detailed on page 7 of the Consultation Paper regarding health insurance cover of items relating to chemotherapy. In particular we note the information contained in the Department's submission to the Senate Inquiry which details that in the private health system the clinical services associated with the provision of chemotherapy by advanced care or oncology pharmacists would generally be covered by health insurers and that this is the case with some clinical services with chemotherapy infusion preparation.

Bupa has vast experience of funding chemotherapy for our members in both public and private hospitals. As the Department will be aware, the cost of chemotherapy extends beyond the drugs and administration and insurers fund many aspects of care including; hospital accommodation, nursing, staff, some non-PBS medications, PBS co-payments, medical co-payments as well as delivery consumables and devices such as CADD pumps as determined by the Commonwealth Protheses Schedule.

During a time when the Department is engaging with providers regarding the appropriate funding arrangements for chemotherapy Bupa believes that it would also be appropriate to address the cost of some of these additional items in order to drive greater efficacy in the sector.

A clear example of this opportunity is the provision of medical devices such as CADD pumps for chemotherapy administration. CADD Pumps are currently listed on the Prosthesis List funded by health insurers often at a cost of thousands of dollars. In this situation insurers

have no indication of what happens to this re-usable device once the patient has finished their treatment.

Bupa welcomes the current discussions regarding funding arrangements for chemotherapy services and would welcome the opportunity to discuss with the Department the issues that are faced by both private and public sector in relation to the funding and long term affordability of cancer treatment.

If you have any questions or require further information, please do not hesitate to contact me on (02) 9323 9898.

Yours sincerely,

**Ayela Thilo**

Head of Government, Policy & Regulatory Affairs

Bupa Australia & New Zealand