



## Medicare Benefits Schedule – new and amended listings

This measure implements Medical Services Advisory Committee (MSAC) decisions and minor regulatory changes that have been agreed to by the medical profession regarding the Medicare Benefits Schedule (MBS). The Government is committed to ensuring the MBS continues to fund quality health care and reflect clinically appropriate practice.

### Why is this important?

This proposal supports the whole-of-government priority of Budget repair and the health specific priority of ensuring that medical services which are clinically appropriate receive government subsidies through the MBS.

The changes to the MBS include:

- amendment of skin services items, with three amended items, deletion of 54 items and replacement of these items with 28 new items recommended by the MSAC;
- one revised vascular surgery item;
- one revised plastic and reconstructive surgery item for fat grafting, amended to reflect appropriate clinical practice in relation to spinal surgery items;
- revised MBS items for hip arthroscopy services, which will limit the items to the management of non-femoroacetabular impingement indications;
- amendment of skin patch testing items, with two amended items, replacement of two current items with a single item and creation of two new items; and
- amendment of circumcision items, with creation of two new items to replace the current four items.

The measure consists variously of the outcomes of MBS reviews and business-as-usual MBS maintenance.

### Who will benefit?

- The changes will improve patients' access to evidence-based treatment, and align amended MBS items with contemporary clinical practice.

### Stakeholder impacts

- Patients have access to evidence-based treatment.
- Stakeholders have been closely involved either in bringing these changes to the attention of the Department of Health or consulting with the department in developing them.
- The changes to skin services items will have minimal impact on patients. They do not remove services or restrict patients' access to them, but simply describe current clinical practice more

clearly. The skin services changes do restrict the ability for practitioners to claim skin flap items for small excisions.

- Neurosurgeons will no longer be able to claim fat grafting in association with spinal surgery as this practice was not clinically appropriate. This will affect about 2500 claims per year.
- The hip arthroscopy changes will affect orthopaedic surgeons who undertake surgery to treat hip joint impingement. These surgeons will now have restricted access to Medicare benefits for services they currently provide.
- The skin patch testing items changes will mainly affect dermatologists currently claiming skin patch testing items 12018 and 12021 due to small decreases in both items' schedule fees. The majority of providers of these services are dermatologists.
- The amendments to the circumcision items will affect a small proportion of providers who claim items for circumcision without anesthesia on a certain group of patients.

### **How much will this cost?**

This measure is ongoing and will save \$51.4 million from 2016–17 to 2019–20, commencing 1 November 2016.