Appendix B

Clinical Definitions Comparison Table

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
Cardiac and cardiac related services	• Heart-related medical and surgical admissions • Cardiothoracic (heart and lungs) related services • Cardiac and cardiac related services (heart) • Cardiac and related services • Cardiothoracic services (heart and lung related) • Heart surgery including diagnostic and therapeutic cardiac procedures • Cardio-thoracic and related services (e.g. heart and chest) • Heart and artery related services • Coronary care and cardiothoracic surgery • Heart procedures • Cardiac treatments • Heart surgery, bypass, stents • Heart-related services • Cardiac procedures
Cataract and eye lens procedures	• Eye surgery (including cataracts) • Major eye surgery – including cataract and lens-related services • Cataract and eye services • Major eye surgery (including cataract surgery, glaucoma surgery and corneal grafts/transplants) • Cataract and other lens related surgery • Major eye surgery (like cataracts and lens) • Cataracts, glaucoma and laser eye surgery • Major eye and eye lens surgery • Cataract and corneal transplants • Cataract and lens replacement (eyes) • Cataracts and eye lens procedures

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
	• Cataract and glaucoma treatment • Major eye surgery (including the treatment of glaucoma, cataracts, cornea and sclera transplants)
Pregnancy and birth related services	• Obstetrics-related services (e.g. pregnancy) • Pregnancy related and assisted reproductive services • Maternity and assisted reproductive services (including IVF) • Pregnancy related services • Pregnancy (childbirth) • Pregnancy and birth services • Delivery and pregnancy related services • Pregnancy related services (including childbirth) • Obstetrics and other pregnancy-related services and treatments
Assisted reproductive services	• Assisted reproductive services (including IVF/GIFT) • Fertility treatment (e.g. IVF and GIFT programs) • Assisted reproductive services (IVF) • Assisted reproductive services (like IVF) • Infertility treatment • Assisted reproductive services • IVF and assisted reproductive services
Joint replacements i.e. shoulder, knee, hip and elbow including revisions	• Knee and shoulder reconstructions • Joint replacements, including spine with prostheses • Joint replacement surgery • Other joint replacement • Joint investigations and reconstructions • Joint replacements (e.g. hip replacements, knee replacements) • Other joint replacements and related services (e.g. shoulder) • Shoulder and ankle replacements • Joint replacements
Hip and knee replacements	• Hip and knee joint replacement surgery

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
	• Hip and knee replacement (including arthroplasty, revision and resurfacing procedures) • Hip and knee replacements and related services • Hip and knee reconstruction and joint replacement • Hip and knee replacement and revisions
Hip replacements	
Dialysis for chronic renal failure	• Renal dialysis • Dialysis • Dialysis for chronic failure • Dialysis for chronic renal failure • Dialysis procedures and treatments • Haemodialysis • Kidney dialysis
Gastric banding and related services	• Gastric reduction and obesity-related surgery • Weight loss surgery (e.g. bariatrics) • Surgical weight loss procedures • Bariatric services – all including revision and reversal procedures (e.g. gastric banding, sleeve gastrectomy) • Gastric banding and obesity related services • Gastric banding and obesity surgery • Obesity related treatment (e.g. gastric banding) • Bariatric surgery • Obesity and weight loss surgery • Gastric banding and all obesity surgeries • Gastric banding, stomach surgery • Gastric reduction, obesity surgery and revisions • Anti-obesity (weight-loss) surgery (e.g. lap band surgery)
Sterilisation	• Sterilisations, vasectomy and reversals • Sterility reversal

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
	• Sterilisation and reversal of sterilisation
Non-cosmetic plastic surgery	• Plastic and reconstructive surgery • Plastic and reconstructive surgery (not cosmetic) • Clinically necessary cosmetic surgery
Rehabilitation	
Psychiatric services	
Palliative care	
Hospital treatment for which Medicare pays no benefit e.g. most cosmetic surgery	
Other Services	• Removal of tonsils and adenoids • Removal of tonsils, adenoids, appendix • Removal of appendix • Removal of your appendix • Removal of tonsils • Removal of adenoids • Appendix removal • Tonsils and adenoids removal • Adenoid removal • Tonsil removal • Appendicitis • Appendicitis treatment
	• Minor gynaecological surgery • Gynaecological services • Gynaecological procedures
	• Abdominoplasty and lipectomy
	• Cancer • Cancer related services (e.g. chemotherapy)

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
	• Cancer surgery and in-hospital treatment • Cancer treatment
	• Knee arthroscopy or meniscectomy procedures
	• Dental surgery • Surgical removal of wisdom teeth (for hospital charges only) • Wisdom teeth removal • Surgical extraction of teeth • Removal of wisdom teeth • Dental implant surgery
	• Operating theatre, intensive care, ward fees
	• Surgically implanted prostheses
	• Accidents sustained after joining • Accident related treatment after joining • Treatment for injuries you get in an accident • Accidental injury
	• Emergency ambulance
	• Surgical treatment of a hernia • Repair of hernia • Hernia repair • Hernias
	• Removal of kidney stones and gall stones
	• Digestive disorder procedures (e.g. bowel surgery)
	• Cochlear implant surgery and bone anchored hearing devices
	• Insulin pump treatments • Insulin pumps
	• Colonoscopies • Arthroscopies, colonoscopies and gastroscopies • Gastroscopies

Private Health Insurance (Complying Product) Rules 2015	Private Health Insurers/Intermediaries
	• Colonoscopies and arthroscopies
	• Joint investigations • Knee and shoulder investigations and reconstructions • Joint reconstructions and investigations
	• Joint reconstructions
	• Spinal fusion • Back surgery • Spinal fusion and disc replacement surgery • Spinal scoliosis • Surgery related to spinal scoliosis
	• Brain surgery
	• Stroke treatment
	• Surgical prostheses • Government approved prostheses for covered services • Prostheses • Surgically implanted prostheses
	• Podiatric surgery
	• Pharmaceuticals
	• Intensive and coronary care

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Clinical Definitions Working Group
Definitions and descriptions for discussion

Current SIS term	Clinical Definition	Description for consideration	Description – further options
Cardiac and cardiac related services	**Heart and heart-related medical and surgical admissions**	Investigation, procedures and surgery to treat heart and heart-related conditions.	Surgery to the heart. Including valve replacement or repair, bypass surgery and open heart surgery. Procedures to investigate and treat heart conditions. Includes angiography, angioplasty, stent insertion, pacemaker, ablation, cardioversion. Investigation and surgery to the heart. Includes angiography, stenting, pacemaker insertion, bypass surgery, valve replacement.
	Lung and lung-related medical and surgical admissions	Investigation, procedures and surgery to treat chest, lungs and lung-related conditions.	Surgery to the chest and lungs. Includes surgery for lung cancer, rib surgery and pleura.
Cataract and eye lens procedures	**Cataract and eye lens procedures**	Surgery which aims to restore vision by removing cataracts and replacing with an artificial lens.	Surgery on or removal of a lens of the eye affected by a cataract and replacement of the diseased lens with an artificial one.
	Eye and eye-related medical and surgical admissions	Investigation, procedures and surgery to the eye and surrounding structures.	Surgical specialty relating to the eyes and optic nerve. Surgery to the eye and surrounding structures. Includes vitrectomy, retinal surgery, pterygium, ectropion, tear duct surgery and surgery to the eye muscles. Surgery to the eye which aims to maintain or restore vision. Includes cataract, glaucoma, and retinal surgery.
Pregnancy and birth related services	**Pregnancy and related medical and surgical admissions**	Investigation, procedures and surgery associated with pregnancy and child birth.	Also known as obstetrics. This refers specifically to hospital admissions for a pregnancy, including the birth of a child. In-hospital care associated with pregnancy and child birth.

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Current SIS term	Clinical Definition	Description for consideration	Description – further options
			Includes miscarriage, complications of pregnancy, vaginal and caesarean delivery and inpatient care of the mother associated with complications following delivery. Investigations associated with pregnancy. Includes blood tests and ultrasound investigations.
Assisted reproductive services	**Assisted reproductive services**	In-hospital treatments or procedures for infertility.	Infertility is the inability to conceive after one year of regular, unprotected intercourse. Cover for reproductive services refers specifically to hospital admissions.
	Female reproductive medical and surgical admissions	Investigation, procedures and surgery related to the female reproductive system (gynaecology and gynaecologic oncology).	Surgery to the uterus or ovaries. Includes hysteroscopy, hysterectomy, and endometrial biopsy. Treatment for endometriosis and surgery to the lining of the uterus, cervix and vulva. Includes laparoscopy for endometriosis, colposcopy and vulval surgery.
Joint replacements	**Joint replacements**	Surgery to remove impaired joints and replace them with artificial joints.	Replacement surgeries remove impaired joints and replace them with artificial joints (prostheses).
	Joint and muscle medical and surgical admissions	Investigation, procedures and surgery to treat diseases, disorders and injuries of the musculoskeletal system.	Surgical and non-surgical treatment of diseases, disorders, and injuries (including fractures) of the musculoskeletal system. Diagnosing and treating musculoskeletal injuries and diseases, both surgically and non-surgically.
	Back and spine medical and surgical admissions	Investigation, procedures and surgery to the back and/or spine.	Diagnosing and treating injuries and diseases of the spine (back), both surgically and non-surgically.
Dialysis for chronic renal failure	**Dialysis for chronic kidney disease**	Treatment for chronic kidney failure.	Dialysis removes waste products and excess fluids from the body for people with kidney failure. Treatment for kidney failure. Includes haemodialysis, peritoneal dialysis and haemofiltration.

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Current SIS term	Clinical Definition	Description for consideration	Description – further options
	Kidney and bladder medical and surgical admissions	Investigation, procedures and surgery to the kidney and bladder.	Surgery to the kidneys, bladder and urethra. Includes cystoscopy, treatment of incontinence and removal of kidney stones.
Gastric banding and related services	**Weight loss surgery and related medical and surgical admissions**	Surgery on the stomach and/or intestines that is designed to reduce a person's weight.	Surgery on the stomach and/or intestines to promote weight loss. Surgery to the stomach that is designed to reduce a person's weight. Includes gastric banding, gastric bypass and sleeve gastrectomy.
Sterilisation	**REMOVE**		
Non-cosmetic plastic surgery	**Plastic and reconstructive surgery**	Surgery to correct physical deformity whether acquired or congenital. Does not include cosmetic surgery done for non-clinical reasons.	Plastic and reconstructive surgery involves the evaluation and treatment of any physical deformity that can be corrected by surgery, whether acquired (for example, skin grafts following burns) or congenital (for example, repair of cleft palates). These forms of treatment are considered medically necessary, rather than cosmetic. Surgery to alter the shape of the body. Includes surgery to the eyelids, nose, breasts and revision of scars.
	Skin lesions **Skin and skin-related surgical and medical admissions** **Skin abnormalities**	Investigation, procedures and surgery to treat skin and skin-related conditions.	Procedures to treat skin conditions. Includes removal of tumours or ulcers, removal of foreign bodies, wound repair, ganglion removal, surgery to the nails and treatment of abscesses.
	Ear, nose and throat medical and surgical admissions	Investigation, procedures and surgery to the ear, nose and throat and related areas of the head and neck.	Surgical specialty that treats diseases and problems affecting the ears, nose, throat, head and neck. Surgery to the ear. Includes grommet surgery, repair of the ear drum, removal of foreign body.

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Current SIS term	Clinical Definition	Description for consideration	Description – further options
			Diagnosis, treatment and management of conditions of the ear, nose and throat, as well as related areas of the head and neck. Surgery to the nose and sinuses. Includes septoplasty, sinus surgery, removal of polyps and foreign bodies and cauterisation.
	Endoscopy	Investigation of, and procedures to, internal parts of the gastrointestinal system using an endoscope.	Investigation of internal parts of the body using a tube with a lens attached (such as a microscope, telescope or camera). Examination of the lining of the bowel using a colonoscope or sigmoidoscope. Endoscopy is a medical procedure that allows a doctor to observe the inside of the body without performing major surgery. An endoscope (fibrescope) is a long flexible tube with a lens at one end and a video camera at the other.
	Gastrointestinal medical and surgical admissions Digestive system medical and surgical admissions	Investigation, procedures and surgery to the digestive system including stomach, intestines, pancreas, and liver.	Surgery relating to the stomach and intestines.
	Cancer therapy	Treatment of cancer. Includes chemotherapy and radiotherapy.	Treatment of cancer. Including chemotherapy and radiotherapy.
	Dental surgery Dental and mouth related medical and surgical admissions	In-hospital surgery to the teeth, mouth, jaw bones and surrounding oral tissues.	Surgery relating to teeth. Procedures to the teeth. Including extraction, implants and x-ray.
	Insulin pumps	Surgery to attach insulin pump,	

Current SIS term	Clinical Definition	Description for consideration	Description – further options
		provision of insulin pump and ongoing consumables.	
	Endocrine and head and neck **Gland and related medical and surgical admissions** **Hormonal system medical and surgical admissions**	Investigation, procedures and surgery to the endocrine system.	
	Brain surgery **Neurology and neurosurgery** **Brain and brain related medical and surgical admissions**	Investigation, procedures and surgery to the nervous system including diseases of the brain, spinal cord, nerves and muscles.	Surgery on the brain, spinal cord and nerves. Common procedures include removing tumours and blood clots, treatment of head or spinal injuries, repairing malformed blood vessels in the brain and spinal cord, repairing damaged nerves, and surgical treatment of diseases such as epilepsy and Parkinson's disease. Surgery to the brain. Includes tumours, aneurysms and haemorrhages. Diagnosis, treatment and management of disorders of the nervous system including diseases of the brain, spinal cord, nerves and muscles.
	Pain management	Treatment of chronic pain and movement disorders.	Treatment of chronic pain and movement disorders. Includes injection, denervation and insertion of stimulators.
	Podiatric	Investigation, procedures and surgery to treat conditions affecting the foot and/or ankle.	Podiatric surgeons are concerned with the diagnosis and treatment of the foot and ankle. The surgical treatment of conditions affecting the foot,

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Current SIS term	Clinical Definition	Description for consideration	Description – further options
			ankle and related lower extremity structures by accredited and qualified specialist podiatrists.
	Vascular surgery **Vascular and vascular related medical and surgical admissions**	Investigation, procedures and surgery to the veins and arteries. Includes varicose veins.	Surgery to remove varicose veins. Surgery to the veins and arteries. Includes varicose veins, endarterectomy, repair and stenting of major arteries. Surgical specialty focusing on blood vessels (veins and arteries), except for those in the heart (which are included in cardio-thoracic surgery) and brain (which are included in neurosurgery).
	Breast surgery **Breast and breast related medical and surgical admissions**	Surgery to treat tumours or abnormal growth of the breasts. Includes both male and female breast surgery and the associated lymph nodes.	
	Sleep studies **Sleep related investigations**	Investigation of sleep patterns and anomalies.	
	Cochlear implantation surgery	Surgery to implant a cochlear hearing device.	The cochlear implant replaces the function of the entire ear. It uses a microphone and directly stimulates any remaining hearing nerves using electricity to enable the brain to perceive sound. Cochlear implants don't amplify sounds but instead mimic and replace the hearing function of the inner ear through electronic stimulation.
	General surgery	Investigation, procedures and surgery focusing on organs of the abdomen.	Surgical specialty focusing on the organs of the abdomen (such as the stomach, intestines, gall bladder, liver and pancreas). General surgeons may also treat diseases of the skin and breast.

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Current SIS term	Clinical Definition	Description for consideration	Description – further options
	Urology	Investigation, procedures and surgery related to the urinary system (such as the kidneys and bladder).	A urologist is a medical profession who specialises in diagnosing and treating diseases of the urinary tract and the male reproductive system. Urologic diseases affect the kidney, bladder, prostate and male reproductive organs, and can include cancer, kidney stones, urinary tract infections, urinary incontinence, sexual dysfunction and pelvic floor problems. Surgical specialty focusing on the organs of the urinary system (such as the kidneys and bladder), and the male reproductive system.
Rehabilitation	**Rehabilitation**	Physical rehabilitation for a patient recovering from surgery or medical illness. The patient may be admitted to hospital or participating in a home-based hospital program.	
Psychiatric services	**Mental health services**	Treatment and care of patients with psychiatric, mental or behavioural disorders. The patient may be admitted to hospital or participating in a home-based hospital program.	Inpatient mental health treatment. Includes attendance by a psychiatrist and ECT. Treatment and care of admitted patients with psychiatric, mental, or behavioural disorders.
Palliative care	**Palliative care**	Care where the intent is primarily quality of life for a patient with a terminal disease. The patient may be admitted to hospital or participating in a home-based hospital program.	In-hospital care by a specialist of a person suffering from a terminal illness. Care in which the intent is primarily quality of life for a patient with an active, progressive disease with little or no prospect of cure.

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Attachment C

Table of Clinical Definitions and Descriptions

Clinical Definition	Description
Heart and heart-related conditions and services	Admission for investigation and/or treatment of heart and heart-related conditions. For example: angiography, stenting, pacemaker or defibrillator insertion, coronary bypass surgery, valve repair and replacement, heart failure and heart attack.
Vascular and vascular related conditions and services	Admission for investigation and/or treatment of the veins and arteries. For example: varicose veins, endarterectomy, hyperbaric oxygen treatment, peripheral arterial bypass surgery, femoral artery bypass and aortic aneurysm surgery. Coronary artery procedures are listed separately under heart and heart-related conditions and services.
Lung and lung-related conditions and services	Admission for investigation and/or treatment of chest, lungs and lung-related conditions. For example: surgery for lung cancer, rib surgery, surgery for chest trauma, treatment of respiratory disorders, asthma, pneumonia and pleurodesis.
Brain and brain-related conditions and services	Admission for investigation and/or treatment of the brain and brain-related conditions. For example: removal of tumours and blood clots, treatment of head injuries, repairing blood vessels and damaged nerves, and treatment of diseases such as epilepsy and Parkinson's disease.
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)	Admission for investigation and/or treatment of the eye and surrounding structures such as the contents of the eye socket. For example: retinal surgery, eyelid surgery, tear duct surgery, corneal/scleral/conjunctiva procedures and hyphema, eye infections and medically managed trauma to the eye. Cataract procedures are listed separately.
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.
Pregnancy and birth related conditions and services	Admission for investigation and/or treatment of conditions associated with pregnancy, child birth and its complications. For example: miscarriage and termination of pregnancy. Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category.
Assisted reproductive services	Admission for fertility treatments or procedures. For example: retrieval of eggs, implantation of embryos, IVF and GIFT. Female reproductive services are listed as a separate category. Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.
Female reproductive conditions and services	Admission for investigation and/or treatment of the female reproductive system (gynaecology). For example: hysterectomy, hysteroscopy, ovarian surgery, treatment of endometriosis, laparoscopies, cervical surgery, removal of vulvar cysts and warts and female sterilisation. Assisted reproductive services are listed as a separate category. Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.
Joint replacements	Admission for surgery for all types of joint replacement, including revisions and partial replacements. For example: replacement of joints such as hip, knee, shoulder, ankle, wrist and finger. Spine is

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Clinical Definition	Description
	listed separately under back, neck and spine.
Bone and joint conditions and services (joint replacements are listed as a separate category and spine is listed separately under back, neck and spine)	Admission for investigation and/or treatment of diseases, disorders and injuries of the musculoskeletal system. For example: carpal tunnel surgery, arthroscopy, knee repair (ACL repair), shoulder repair, fracture surgery, hand surgery
Back, neck and spine conditions and services	Admission for investigation and/or treatment for the back, neck and/or spine. For example: spinal fusion, discectomy, spinal cord procedures, spinal disc replacement, laminectomy, treatment of scoliosis and lordosis.
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.
Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)	Admission for investigation and/or treatment of the kidney, bladder, prostate and other male reproductive organs. For example: cystoscopy, treatment of incontinence, prostate surgery, circumcision, male sterilisation and removal of kidney stones.
Ear, nose and throat conditions and services (hearing loss is listed separately)	Admission for investigation and/or treatment to the ear, nose and throat and related areas of the head and neck (spine is listed separately under back, neck and spine). For example: removal of tonsils and adenoids, sinus surgery, grommet surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, stapedectomy, throat cancer, thyroid procedures, larynx procedures, mouth and maxilla-facial procedures and procedures relating to lymph nodes.
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device.
Digestive system conditions and services	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder pancreas, appendix, oesophagus, haemorrhoid surgery, hernia and liver. Endoscopy is listed as a separate category.
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.
Breast surgery (cosmetic surgery is not covered under private health insurance)	Admission for investigation and/or treatment of breast disorders. For example: both male and female breast surgery and the associated lymph nodes, and reconstruction after breast cancer surgery.
Chemotherapy and radiotherapy for cancer	Admission for chemotherapy and radiotherapy for the treatment of cancer. Surgical treatment of cancer is listed separately under each particular body system.
Plastic and	Admission for investigation and/or treatment of any physical

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Clinical Definition	Description
reconstructive surgery	deformity, whether acquired (for example: skin grafts following burns) or congenital (for example: repair of cleft palates, club foot). Other examples include: scar revision, breast reduction, removal of breast prosthesis and angioma. These forms of treatment are considered medically necessary, rather than cosmetic. Cosmetic surgery is not covered under private health insurance.
Surgery for skin lesions	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.
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.
Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.
Mental health services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders, drug and alcohol detoxification and addiction therapy.
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.

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CLINICAL DEFINITIONS WORKING GROUP REPORT TO THE PRIVATE HEALTH MINISTERIAL ADVISORY COMMITTEE

Introduction

During the 2016 election campaign, the government committed to:

- developing standard definitions for medical procedures across all insurers so that consumers can compare policies more easily;
- ensuring that insurers use plain English and disclose policy information in a consumer-friendly way; and
- ensuring the current gateway www.privatehealth.gov.au reflects these improvements and allows consumers to more easily compare policies and access information.

On 9 November 2016, the Private Health Ministerial Advisory Committee (PHMAC) agreed to establish the Clinical Definitions Working Group (the Working Group) to advise PHMAC on possible reforms covering:

- the development of standard clinical definitions;
- the implementation of standard clinical definitions across the private health industry; and
- other related issues as directed by the Committee.

The purpose of examining clinical definitions is to develop options which empower consumers by simplifying and standardising clinical definitions, and presenting clear information in order for consumers to easily compare private health insurance policies and understand their own product.

The Clinical Definitions Working Group was chaired by Dr Andrew Singer. Membership included Consumers Health Forum, insurers, craft groups, the Australian Private Hospitals Association, the Australian Medical Association and government representatives. The Working Group's terms of reference are at Attachment A and the full membership list is at Attachment B. The focus for the Working Group was the development of standard clinical definitions for hospital products. General treatment may be considered at a later date.

The Working Group met twice in March and April 2017. Members commenced discussion by addressing the following policy issues:

- Should an existing list of clinical terminology be adopted or should a new list of clinical definitions be developed?
- Is there a need for a brief description under each clinical definition?
- Should a list of procedures be included under each clinical definition?
- Who should use the list of standard clinical definitions?
- Should the use of the list of standard clinical definitions be regulated or private health sector-led?

This work to develop standard clinical definitions links closely to the work of the Information Provision for Consumers Working Group. That Working Group was aimed at ensuring there is enough information available which is consistent and easy to understand to assist consumers in making informed choices. The Working Group has reviewed the Standard Information Statement (SIS) and recommended that it be changed. The Clinical Definitions Working Group members understand that private health insurance reform is a complex process with multiple moving parts. Members recognise that the work needs to happen in parallel to issues being considered by PHMAC and other Working Groups.

It was particularly challenging to develop a new list of standard clinical definitions without knowing the details of possible changes to product design and information provision. This was particularly evident during the discussion on whether the list would be used for exclusions or inclusions or both. Regardless of the work being undertaken on reforms on product design, the Working Group recognised that the list of clinical definitions needs to be updated to simplify terms for the consumer.

This report outlines the general discussions of the Working Group and includes the agreed table of clinical definitions and descriptions. The paper presents a number of possible areas for reform which the Working Group felt should be considered by PHMAC in framing its advice to the Minister.

List of clinical definitions

Working Group members acknowledged that a key concern from consumers is product complexity and inconsistent clinical definitions when comparing private health insurance products. Clinical definitions currently used across the private health sector can be confusing for consumers and this needed to be considered by the Working Group when developing the new list of clinical definitions.

Currently, consumers can access information on private health insurance policies through individual insurers either in hard copy or online. Each insurer decides on the content and how much information to provide to consumers. While insurers generally use consistent clinical definitions across their own policies, clinical definitions vary greatly between health insurers. Some private health intermediaries also tend to use clinical definitions that often do not align with the terminology used by insurers.

Under the *Private Health Insurance Act 2007*, a private health insurer is required to maintain an up to date SIS in accordance with the *Private Health Insurance (Complying Product) Rules 2015*. A SIS is a summary outlining the main features of a policy including a list of services covered, exclusions and restrictions. A SIS is separate to the information provided by insurers and intermediaries through their websites and hard copy policy information. The clinical definitions currently listed in the SIS are:

- Cardiac and cardiac related services;
- Cataract and eye lens procedures;
- Pregnancy and birth related services;
- Assisted reproductive services;
- Joint replacements i.e. shoulder, knee, hip and elbow including revisions;
- Hip and knee replacements;
- Hip replacements;
- Dialysis for chronic renal failure;
- Gastric banding and related services;
- Sterilisation;
- Non-cosmetic plastic surgery;
- Hospital treatment for which Medicare pays no benefit e.g. most cosmetic surgery; and
- Other services (see insurer for details).

In developing the new list of standard clinical definitions, Working Group members recognised that there could be changes to the SIS and the way it is used in documentation across all parts of the private health sector. This may include listing both inclusions and exclusions. Working Group

members were conscious that, if the list is used for inclusions it must be comprehensive, but there is a risk that some services may inadvertently not be captured under the new list.

Working Group members agreed to use the list of terms in the current SIS as a basis for developing the new list of clinical definitions. Working Group members considered:

- Which existing terms should be changed?
- Which existing terms should be removed?
- Which new terms should be added?

The following table shows the current SIS term and the new clinical definitions. For example: the SIS term *'cardiac and cardiac related services'* has been changed to *'heart and heart-related conditions and services'* and the SIS term *'sterilisation'* has been removed.

Table 1: current SIS term v new clinical definition

Current SIS term	**Recommended Clinical Definition**
Cardiac and cardiac related services	Heart and heart-related conditions and services
Cataract and eye lens procedures	Cataract procedures
Pregnancy and birth related services	Pregnancy and birth related conditions and services
Assisted reproductive services	Assisted reproductive services
Joint replacements i.e. shoulder, knee, hip and elbow including revisions	Joint replacements
Hip and knee replacements	*Remove (covered under joint replacements)*
Hip replacements	*Remove (covered under joint replacements)*
Dialysis for chronic renal failure	Dialysis for chronic kidney disease
Gastric banding and related services	Weight loss surgery
Sterilisation	*Remove (covered under kidney and bladder)*
Non-cosmetic plastic surgery	Plastic and reconstructive surgery
Rehabilitation	Rehabilitation
Psychiatric services	Mental health services
Palliative care	Palliative care

The following table identifies the new clinical definitions which have been added by the Working Group. The current SIS only identifies the main categories of excluded services. By including additional clinical definitions to cover all services, this list could be used to identify both inclusions and exclusions, making it clearer for consumers.

Table 2: additional clinical definitions

Additional clinical definitions
Vascular and vascular-related conditions and services
Lung and lung-related conditions and services
Brain and brain-related conditions and services
Eye and eye-related conditions and services (cataract not included)*
Female reproductive conditions and services
Bone and joint conditions and services (excluding joint replacements)*

Additional clinical definitions
Back, neck and spine conditions and services
Kidney, bladder and male reproductive conditions and services (excluding dialysis)*
Ear, nose and throat conditions and services
Hearing loss surgery
Digestive system conditions and services
Endoscopy
Breast surgery (excluding cosmetic)*
Chemotherapy and radiotherapy for cancer
Surgery for skin lesions
Dental surgery
Insulin pumps
Management of ongoing (chronic) pain
Podiatric surgery provided by an accredited podiatric surgeon
Sleep studies

*See discussion below regarding services defined as excluded.

Working Group members discussed the use of *'conditions'* or *'services'* in the clinical definition and which term would be clearer for a consumer. Some consumers may seek private health insurance policies that cover conditions such as Parkinson's disease or pregnancy, or particular services such as cataracts or breast cancer surgery to cover existing medical conditions and medical issues that may affect them or their family. Working Group members agreed to apply the general principle to use both *'conditions and services'* where appropriate. This is to provide clearer information to assist consumers in their decision making process when purchasing or changing private health insurance policies.

As discussed previously, a challenge for the Working Group was developing a list of clinical definitions that could be used to explain both inclusions and exclusions. Because some body systems have been divided into multiple categories, the terms used need additional information to be clear on what is, or is not, included. For example, the Working Group originally divided services related to the eye into two categories: *'cataract procedures';* and *'eye and eye-related conditions and services (cataract not included).'* This was a contentious issue with the Working Group as the term *'cataract not included'* may be confusing for consumers, particularly if this is an exclusion and consumers have to understand the application of a double-negative in the language used. To resolve this issue, the Secretariat has suggested the alternative words: *'(cataracts listed separately under cataract procedures)'.* This applies to a number of definitions. The final recommended list at Attachment C uses these alternative words where appropriate.

When developing particular clinical definitions, Working Group members identified issues with current terminology and what is, or is not, covered. For example: while miscarriage and termination are covered under *'pregnancy and birth-related conditions and services',* there is a 12 month waiting period for this service. If a miscarriage occurred early in the pregnancy, prior to the waiting period being served, the consumer may not be covered. Working Group members also discussed the coverage of neonates. While these issues are out of scope for this Working Group, PHMAC may wish to investigate these issues further.

Cancer Treatment

Working Group members discussed various reasons why consumers choose particular private health insurance policies including whether or not cancer treatment is covered. This is a category consumers seek to be covered for under private health insurance. Currently, cancer treatment is covered according to the area of the body which is affected and this can be confusing for consumers. For example: brain cancer would be covered under *'brain surgery'* and ovarian cancer would be covered under *'gynaecological services'*.

However, consumers may not have this understanding and it depends on each individual insurer whether to explicitly list cancer treatment as an inclusion. Some insurers list cancer treatment as an inclusion and then add a disclaimer with more detail about how it would only be covered if that particular area of the body was covered. For example: if a consumer had cancer of the eye and *'eye treatment'* was excluded on their policy, then the eye cancer would not be covered. This may be a concern for consumers as they may think they are covered for all cancer surgery or treatment when they are not.

The Working Group also discussed that, in many cases, consumers require surgery to confirm cancer as a diagnosis. The consumer is only covered for this investigation procedure if the particular part of the body is covered under the consumer's private health insurance policy.

The Working Group considered the above issues when determining the clinical definition for cancer treatment. It was discussed whether the category for cancer should include surgery for all cancers or whether the category should just include chemotherapy and radiotherapy. The Working Group decided that the clinical definition should be *'chemotherapy and radiotherapy for cancer'* and that cancer surgery should continue to be covered under the particular area of the body that is affected.

The Working Group acknowledged that this approach would not help consumers better understand coverage for cancer treatment and this issue is unable to be resolved through clearer clinical definitions. This issue requires a broader approach and a suggestion was made to develop a fact sheet on how cancer is covered under private health insurance on the government website: www.privatehealth.gov.au. This may assist consumers in understanding inclusions and exclusions when purchasing private health insurance policies. This could align with the work of the Information Provision for Consumers Working Group.

Descriptions for each clinical definition

Working Group members agreed that each clinical definition should have a brief description to assist the consumer to make an informed choice when comparing and purchasing private health insurance policies. A short description which is clear and concise would give consumers additional information on what each clinical definition includes. Working Group members developed a description for each clinical definition, and where possible, included some common examples of medical admissions and procedures to help the consumer.

Working Group members identified a common problem with consumers not understanding that they are only covered for in-hospital services and that outpatient or community-based services are not covered by their private health insurance. Therefore Working Group members agreed that most descriptions should commence with: '*admission for investigation and/or treatment'* to make it clear that the cover is only for consumers admitted to hospital.

Following the final Working Group meeting, the Secretariat reviewed the list of clinical definitions and descriptions to:

- ensure all services were included;
- add examples of common procedures where required; and
- ensure that consistent terminology is used throughout the list in line with discussions of the Working Group.

The Secretariat has made minor refinements and the final list of clinical definitions and descriptions has been agreed by the Working Group (Attachment C).

List of procedures

Working Group members agreed there should be a list of procedures under each clinical definition. This would give consumers additional certainty about what they are, and are not, covered for. Working Group members were unable to develop a list of procedures due to restricted timeframes. However, Working Group members discussed the following options and how the list of procedures for each clinical definition could be populated:

- Medicare Benefits Schedule (MBS) item numbers;
- Australian Classification of Health Interventions (ACHI);
- Medical Diagnosis Categories (MDCs);
- Adjacent Diagnosis Related Groups (ADRGs); and
- Developing a new list.

Given that the list should cover procedures, medical admissions and subacute services, Working Group members agreed that a combination of existing lists would be most appropriate to ensure all services are covered. A combination of lists is required as no existing list includes all types of services needed to populate the list of procedures. For example: the list could include MBS item numbers for admissions based on a procedure; MDCs/DRGs for admissions not based on a procedure; and care types for subacute services.

Working Group members recognised several challenges including the need to regularly update the list each time an existing list is updated. For example: the MBS list is reviewed regularly and could be updated several times per year. Updating the list may be difficult to do in a timely manner, would be administratively cumbersome and may require a consultation process. This process may be more difficult if the decision was made to regulate the list. However, the benefit to the consumer may outweigh the administrative burden.

Insurers should already maintain a similar list for their internal administrative purposes and as such, it would seem that introducing a list of procedures would not be a significant change for insurers. However, regulating the list of procedures would be a major change for insurers and for government. The benefit in regulating this list is that it would ensure all insurers are covering the same services under the same clinical definition. This would assist consumers in comparing health insurance policies and would help insurers with portability issues.

Who uses the list of clinical definitions?

Working Group members agreed that the list of standard clinical definitions should be suitable for use by a variety of groups e.g. consumers, providers, insurers, intermediaries and government.

While the role of the Working Group was to develop a list of standard clinical definitions for the consumer, it would be beneficial if all areas of the private health sector across all platforms used the list to ensure consistency for consumers.

The consumer needs to understand clinical definitions when:

- purchasing private health insurance;
- changing private health insurance policies; and
- once diagnosed with a condition.

It would be helpful for hospitals and providers to use the list of standard clinical definitions to assist the consumer in understanding their diagnosis and what they are covered for under their private health insurance policy. If the provider can assist the consumer at the time of consultation rather than them having to check with their private health insurer separately on what they are covered for, this may save time for both the consumer and private health insurer.

Implementation

Regulation

Working Group members discussed whether the standard list of clinical definitions should be regulated by government or private health sector-led. The Australian Government has a broad deregulation agenda and therefore the preference is to avoid unnecessary regulation.

However, a private health sector-led agreement would require all parties to comply with the agreement. There is a high risk that compliance may reduce over time as it would be voluntary and there would be no penalties for non-compliance. The introduction of the SIS terms in 2007 provide an example of non-regulation. At the time, there was implicit agreement that the SIS terms would be used for the general provision of information. However, in response to competitive pressures, insurers soon changed the terminology to market their products.

Working Group members acknowledged the benefits of a private health sector-led agreement but also identified the difficulty in getting all insurers to comply and continue to use the list of standard clinical definitions over the long-term.

The Working Group discussed concerns about the difficulty in updating the list of standard clinical definitions if it was to be legislated. The list of standard clinical definitions could be in rules rather than primary legislation. This would make the process of updating the list of standard clinical definitions easier.

Consumer testing

Working Group members discussed the need for consumer testing and agreed that this is an important step in the reform process. The focus of the Working Group was to develop a list of standard clinical definitions which present clear information for consumers. Given this objective, consumer testing would be useful to ensure the clinical definitions are fit-for-purpose.

Summary of outcomes

Working Group members agreed:

1. A list of clinical definitions (Attachment C).
2. A description for each clinical definition (Attachment C).

3. There should be a list of procedures for each clinical definition using a combination of existing lists to cover procedures, medical admissions and subacute services.
4. The list of clinical definitions should be suitable for use by the broader private health insurance sector e.g. consumers, providers, insurers, intermediaries and government.
5. The new list of clinical definitions should be consumer tested.

Other considerations/next steps

Implementation of the list of standard clinical definitions across all parts of the private health sector – the Working Group discussed and agreed that the use of the list of standard clinical definitions by all parties would have many benefits for consumers. The Working Group did not consider how this could be implemented/enforced.

Regulation – while regulation was discussed by the Working Group, a way forward was not agreed. This is an issue which should be considered by PHMAC.

Consumer testing – while the Working Group discussed the need for consumer testing, the logistics of this process were not discussed.

Timing of implementation – Working Group members were concerned with the timing of implementation and noted the importance of adequate transition time.

Attachment A

Terms of Reference – Clinical Definitions Working Group of the Private Health Ministerial Advisory Committee

Purpose

The Clinical Definitions Working Group (the Working Group) brings together key stakeholders with expertise in the private health insurer/clinical practice environment to work in partnership on the development of possible reforms to standardise clinical definitions used in the information that insurers provide about their products.

The Working Group has a key role in advising the Private Health Ministerial Advisory Committee (the Committee) on possible reforms to standardise clinical definitions.

Functions

The role of the Working Group is to provide advice to the Committee on possible reforms covering:

- the development of standard clinical definitions;
- the implementation of standard clinical definitions across the private health industry; and
- other related issues as directed by the Committee.

Noting that the Working Group may not come to agreement on all issues, members of the Working Group commit to:

- acting in a collegiate and collaborative manner when discussing and resolving issues; and
- respecting the confidentiality of Working Group and Committee procedures.

The Working Group will report to the Committee.

External Support

The Working Group may be supported through the commissioning of external advice (through the Department of Health) if required. The Working Group Chair must first seek agreement from the Committee Chair.

Membership

The Working Group is chaired by Dr Andrew Singer. Members are appointed for their private health industry knowledge, and expertise and experience in clinical practice.

With the Working Group Chair's prior approval, individuals and organisations who are not members may be invited to participate in the Working Group discussions where they have particular knowledge, expertise or experience.

A quorum for a meeting is the Chair and half the Working Group membership plus one. A quorum of members must be present before a meeting can proceed. A member who is unable to attend a meeting should advise the Chair and the Secretariat as soon as possible.

Confidentiality

Members are required to sign confidentiality agreements and declare any real or potential conflicts of interests at the commencement of each meeting. All working group members have an obligation to maintain confidence of all matters arising within the working group and to maintain this confidence even after their membership of the Working Group has expired. Working Group members are specifically obligated to refrain from making any comment or statement concerning any working group matter to any member of the media. The Chair of the Committee or the Committee secretariat will coordinate all media contact.

Timing

The Working Group will meet in person or via teleconference. The Working Group is expected to meet two to three times during March and April 2017. The Working Group can meet more or less frequently if required, and will report to the Committee.

Decisions and consideration of issues can be made out of session by the Working Group including by teleconference or videoconference.

Secretariat

The Department of Health will provide the required level of secretariat support for the Chair and the Working Group. Papers will be distributed to the Working Group members at least five working days before a Working Group meeting, except with the Chair's agreement. The agenda for meetings will be agreed between the Chair of the Working Group and the Secretariat. The Chair and/or the Secretariat may consult with the Chair of the Committee in developing any papers.

Attachment B

Membership – Clinical Definitions Working Group

- Dr Andrew Singer, Chair
- A/Prof Amanda Walker, Australian Commission on Safety and Quality in Health Care
- Dr Brian Hanning, Australian Health Service Alliance
- Dr Roderick McRae, Australian Medical Association
- Elizabeth Foley, Australian Nursing and Midwifery Federation
- Dr Maurizio Damiani, Australian Orthopaedic Association
- A/Prof Alex Hunyor, Australian Society of Ophthalmologists
- Will Hanham, Department of Veterans' Affairs
- Jo Root, Consumers Health Forum
- Dean Breckenridge, Doctors' Health Fund
- Dr Gary Speck AM, Council of Procedural Specialists
- A/Prof Ian Norton, Gastroenterological Society of Australia
- Dr Andrew Cottrill, HCF
- James Downie, Independent Hospital Pricing Authority
- Dr David Rankin, Medibank
- Katharine Barrett, nib
- Dr Melinda Williams, Peoplecare
- David McGregor, Private Health Insurance Ombudsman
- Kate Munnings, Ramsay Health Care
- Dr David Love, Royal Australasian College of Surgeons
- James Harrison, St Luke's Health
- Prof Stephen Duffy, The Cardiac Society of Australia and New Zealand

Attachment C

Table of Clinical Definitions and Descriptions

Clinical Definition	Description
Heart and heart-related conditions and services	Admission for investigation and/or treatment of heart and heart-related conditions. For example: angiography, stenting, pacemaker or defibrillator insertion, coronary bypass surgery, valve repair and replacement, heart failure and heart attack.
Vascular and vascular-related conditions and services	Admission for investigation and/or treatment of the veins and arteries. For example: varicose veins, endarterectomy, hyperbaric oxygen treatment, peripheral arterial bypass surgery, femoral artery bypass and aortic aneurysm surgery. Coronary artery procedures are listed separately under heart and heart-related conditions and services.
Lung and lung-related conditions and services	Admission for investigation and/or treatment of chest, lungs and lung-related conditions. For example: surgery for lung cancer, rib surgery, surgery for chest trauma, treatment of respiratory disorders, asthma, pneumonia and pleurodesis.
Brain and brain-related conditions and services	Admission for investigation and/or treatment of the brain and brain-related conditions. For example: removal of tumours and blood clots, treatment of head injuries, repairing blood vessels and damaged nerves, and treatment of diseases such as epilepsy and Parkinson's disease.
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)	Admission for investigation and/or treatment of the eye and surrounding structures such as the contents of the eye socket. For example: retinal surgery, eyelid surgery, tear duct surgery, corneal/scleral/conjunctiva procedures and hyphema, eye infections and medically managed trauma to the eye. Cataract procedures are listed separately.
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.
Pregnancy and birth related conditions and services	Admission for investigation and/or treatment of conditions associated with pregnancy, child birth and its complications. For example: miscarriage and termination of pregnancy. Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category.
Assisted reproductive services	Admission for fertility treatments or procedures. For example: retrieval of eggs, implantation of embryos, IVF and GIFT. Female reproductive services are listed as a separate category. Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.
Female reproductive conditions and services	Admission for investigation and/or treatment of the female reproductive system (gynaecology). For example: hysterectomy, hysteroscopy, ovarian surgery, treatment of endometriosis, laparoscopies, cervical surgery, removal of vulvar cysts and warts and female sterilisation. Assisted reproductive services are listed as a separate category. Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.

Clinical Definition	Description
Joint replacements	Admission for surgery for all types of joint replacement, including revisions and partial replacements. For example: replacement of joints such as hip, knee, shoulder, ankle, wrist and finger. Spine is listed separately under back, neck and spine.
Bone and joint conditions and services (joint replacements are listed as a separate category and spine is listed separately under back, neck and spine)	Admission for investigation and/or treatment of diseases, disorders and injuries of the musculoskeletal system. For example: carpal tunnel surgery, arthroscopy, knee repair (ACL repair), shoulder repair, fracture surgery, hand surgery.
Back, neck and spine conditions and services	Admission for investigation and/or treatment for the back, neck and/or spine. For example: spinal fusion, discectomy, spinal cord procedures, spinal disc replacement, laminectomy, treatment of scoliosis and lordosis.
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.
Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)	Admission for investigation and/or treatment of the kidney, bladder, prostate and other male reproductive organs. For example: cystoscopy, treatment of incontinence, prostate surgery, circumcision, male sterilisation and removal of kidney stones.
Ear, nose and throat conditions and services (hearing loss is listed separately)	Admission for investigation and/or treatment to the ear, nose and throat and related areas of the head and neck (spine is listed separately under back, neck and spine). For example: removal of tonsils and adenoids, sinus surgery, grommet surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, stapedectomy, throat cancer, thyroid procedures, larynx procedures, mouth and maxilla-facial procedures and procedures relating to lymph nodes.
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device.
Digestive system conditions and services	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder pancreas, appendix, oesophagus, haemorrhoid surgery, hernia and liver. Endoscopy is listed as a separate category.
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.
Breast surgery (cosmetic surgery is not covered under private health	Admission for investigation and/or treatment of breast disorders. For example: both male and female breast surgery and the associated lymph nodes, and reconstruction after breast cancer surgery.

Clinical Definition	Description
insurance)	
Chemotherapy and radiotherapy for cancer	Admission for chemotherapy and radiotherapy for the treatment of cancer. Surgical treatment of cancer is listed separately under each particular body system.
Plastic and reconstructive surgery	Admission for investigation and/or treatment of any physical deformity, whether acquired (for example: skin grafts following burns) or congenital (for example: repair of cleft palates, club foot). Other examples include: scar revision, breast reduction, removal of breast prosthesis and angioma. These forms of treatment are considered medically necessary, rather than cosmetic. Cosmetic surgery is not covered under private health insurance.
Surgery for skin lesions	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.
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.
Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.
Mental health services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders, drug and alcohol detoxification and addiction therapy.
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.

CLINICAL DEFINITIONS WORKING GROUP REPORT TO THE PRIVATE HEALTH MINISTERIAL ADVISORY COMMITTEE

Introduction

On 14 June 2017, the Private Health Ministerial Advisory Committee (PHMAC) considered the report provided by PHMAC's Clinical Definitions Working Group (the Working Group). The Working Group's report contained:

- a list of standard clinical definitions;
- descriptions for each clinical definition;
- the need for a list of procedures for each clinical definition;
- who should use the standard clinical definitions; and
- a discussion on the implementation of standard clinical definitions.

The purpose of examining clinical definitions is to develop options which empower consumers by simplifying and standardising clinical definitions, and presenting clear information in order for consumers to easily compare private health insurance policies and understand their own product.

PHMAC discussed the Working Group's advice and agreed:

- the list of clinical definitions, subject to clarification of a small number of items;
- the descriptions for each clinical definition;
- the Secretariat populate a list of procedures for each clinical definition using a combination of existing lists e.g. MBS items, DRGs and care types;
- the list of clinical definitions should be regulated; and
- the list of clinical definitions, descriptions and procedures would benefit from consumer testing.

PHMAC agreed that clarification was needed on the following issues:

- including neonates in the clinical definitions;
- excluding non-medically necessary cosmetic surgery in the clinical definitions; and
- what is included/excluded under the category of *'mental health services'*.

Neonates

PHMAC members sought clarification on whether neonates were included under the 'p*regnancy and birth related conditions and services'* category. Members agreed that neonates need to be included and the clinical definition has been updated to read: *'pregnancy and birth related conditions and services (neonates are covered under this category)'.*

Non-medically necessary cosmetic surgery

PHMAC members were concerned that cosmetic surgery was not explicitly excluded in the high-level clinical definition '*plastic and reconstructive surgery'* and agreed that the clinical definition needed to be amended. The clinical definition has been updated to read: '*plastic and reconstructive surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)*'.

Mental health services

PHMAC members asked for clarification on what is included in the *'mental health services'* category. *'Mental health services'* includes all related therapeutic items such as electroconvulsive therapy (ECT) and transcranial magnetic stimulation (TMS). There are no limitations on these services. *'Mental health services'* do not include drug and alcohol services which are now in a separate category. The list of clinical definitions has been updated to include both categories: *'mental health*

services (services for drug and alcohol related issues are listed separately)' and '*services for drug and alcohol related issues'.*

Australian Mental Health Care Classification

The Independent Hospital Pricing Authority (IHPA) has developed a new classification for mental health, known as the Australian Mental Health Care Classification (AMHCC). The new classification will improve the clinical meaningfulness of the way that mental health care services can be classified. Full implementation of the AMHCC for pricing will occur once comprehensive phase-level cost and activity data is available from states and territories. IHPA will also commence development of Version 2 of the AMHCC.

The list of clinical definitions at Attachment A has been updated to reflect these changes.

Attachment A

Table of Clinical Definitions and Descriptions

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Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.
Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	Admission for investigation and/or treatment of breast disorders. For example: both male and female breast surgery and the associated lymph nodes, and reconstruction after breast cancer surgery.

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Plastic and reconstructive surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	Admission for investigation and/or treatment of any physical deformity, whether acquired (for example: skin grafts following burns) or congenital (for example: repair of cleft palates, club foot). Other examples include: scar revision, breast reduction, removal of breast prosthesis and angioma. These forms of treatment are considered medically necessary, rather than cosmetic. Cosmetic surgery is not covered under private health insurance.
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Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.
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Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.
Mental health services (services for drug and alcohol related issues are listed separately)	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy.
Services for drug and alcohol related issues	Admission for the treatment and care of patients for drug and alcohol detoxification and addiction therapy.
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.

COMMITTEE-IN-CONFIDENCE

Australian Government

Private Health Ministerial Advisory Committee

Agenda Item 1
Out-of-Session Meeting

Agenda Item	Topic
1	Clinical Definitions Working Group

Purpose of discussion/key issues

Purpose

To **NOTE** the clinical definitions out-of-session issues paper discussing concerns raised at the Private Health Ministerial Advisory Committee (PHMAC) meeting on 7 September 2017 (Attachment A).

To **AGREE**:

- *'dental surgery'* remains as the clinical definition; and
- the list of clinical definitions (at Attachment B).

To **NOTE**:

- neonates are only covered under private health insurance single parent and family policies.

To **ADVISE** the Committee Secretariat of your decision by 27 October 2017.

Key Issues

- At the PHMAC meeting on 7 September 2017, members raised the following issues in relation to the list of clinical definitions:
  - whether *'dental surgery'* the most appropriate term; and
  - whether neonates are included under a single private health insurance policy.

Action required

AGREE:

- *'dental surgery'* is the most appropriate clinical definition.

NOTE:

- mouth and maxilla-facial procedures are included under the *'ear, nose and throat conditions and services (hearing loss is listed separately)'* category; and
- neonates are not covered under a private health insurance single policy.

ADVISE:

- the Committee Secretariat of your decision by 27 October 2017.

Attachments

Attachment A: Clinical definitions out-of-session issues paper
Attachment B: List of clinical definitions

FOI 26-3059
Document 6

Attachment A

CLINICAL DEFINITIONS WORKING GROUP OUT-OF-SESSION ISSUES PAPER

Introduction

On 7 September 2017, the Private Health Ministerial Advisory Committee (the Committee) considered an issues paper with an updated list of clinical definitions to address the following outstanding issues raised by the Committee at the previous meeting:

- clarify what is covered under *'mental health services'*;
- private health insurance coverage for neonates; and
- excluding non-medically necessary cosmetic surgery in the clinical definitions.

The Committee requested further clarification on the following issues:

- whether *'dental surgery'* is the most appropriate clinical definition; and
- private health insurance coverage for neonates under single policies.

Dental surgery vs oral surgery

Committee members were concerned that the clinical definition *'dental surgery'* was not the most appropriate term and suggested *'oral surgery'* as an alternative to make it clearer what is included under this category.

The Working Group agreed that *'dental surgery'* was the best term for consumers to understand. This category only includes surgery to the teeth and gums and this is made clear in the description. Mouth and maxilla-facial surgery is included under the *'ear, nose and throat conditions and services (hearing loss is listed separately)*' category. The description specifically includes *'mouth and maxilla-facial procedures'* as an example of what is covered under this category.

The Chair of the Working Group, Dr Andrew Singer, has been consulted on this matter and agrees that the Working Group's recommendation is the best way forward.

Private health insurance coverage for neonates

Committee members sought clarification on whether neonates were covered under a single private health insurance policy.

Neonates are only covered for private health insurance benefits under a single parent or family policy. A neonate will not be covered under a single policy even though the policy may include *'pregnancy and birth-related conditions and services'*. In this case, the policy only covers the mother who is an admitted patient. If the neonate requires additional care, the neonate is not eligible for private health insurance benefits and there would be significant out-of-pocket costs.

To make this clear in the list of clinical definitions, the Secretariat recommends that the wording be amended from *'pregnancy and birth-related conditions and services (neonates are covered under this category)*' to read *'pregnancy and birth-related conditions and services (neonates are covered under this category for single parent and family policies)'.*

The list of clinical definitions at Attachment B has been updated to reflect these changes.

FOI 26-3059
Document 6

Attachment B

Table of Clinical Definitions and Descriptions

Clinical Definition	Description
Heart and heart-related conditions and services	Admission for investigation and/or treatment of heart and heart-related conditions. For example: angiography, stenting, pacemaker or defibrillator insertion, coronary bypass surgery, valve repair and replacement, heart failure and heart attack.
Vascular and vascular-related conditions and services	Admission for investigation and/or treatment of the veins and arteries. For example: varicose veins, endarterectomy, hyperbaric oxygen treatment, peripheral arterial bypass surgery, femoral artery bypass and aortic aneurysm surgery. Coronary artery procedures are listed separately under heart and heart-related conditions and services.
Lung and lung-related conditions and services	Admission for investigation and/or treatment of chest, lungs and lung-related conditions. For example: surgery for lung cancer, rib surgery, surgery for chest trauma, treatment of respiratory disorders, asthma, pneumonia and pleurodesis.
Brain and brain-related conditions and services	Admission for investigation and/or treatment of the brain and brain-related conditions. For example: removal of tumours and blood clots, treatment of head injuries, repairing blood vessels and damaged nerves, and treatment of diseases such as epilepsy and Parkinson's disease.
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)	Admission for investigation and/or treatment of the eye and surrounding structures such as the contents of the eye socket. For example: retinal surgery, eyelid surgery, tear duct surgery, corneal/scleral/conjunctiva procedures and hyphema, eye infections and medically managed trauma to the eye. Cataract procedures are listed separately.
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies)	Admission for investigation and/or treatment of conditions associated with pregnancy, child birth and its complications. For example: miscarriage and termination of pregnancy. Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category.
Assisted reproductive services	Admission for fertility treatments or procedures. For example: retrieval of eggs, implantation of embryos, IVF and GIFT. Female reproductive services are listed as a separate category. Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.
Female reproductive conditions and services	Admission for investigation and/or treatment of the female reproductive system (gynaecology). For example: hysterectomy, hysteroscopy, ovarian surgery, treatment of endometriosis, laparoscopies, cervical surgery, removal of vulvar cysts and warts and female sterilisation. Assisted reproductive services are listed as a separate category.

FOI 26-3059
Document 6

Clinical Definition	Description
	Pregnancy and birth are listed separately under pregnancy and birth related conditions and services.
Joint replacements	Admission for surgery for all types of joint replacement, including revisions and partial replacements. For example: replacement of joints such as hip, knee, shoulder, ankle, wrist and finger. Spine is listed separately under back, neck and spine.
Bone and joint conditions and services (joint replacements are listed as a separate category and spine is listed separately under back, neck and spine)	Admission for investigation and/or treatment of diseases, disorders and injuries of the musculoskeletal system. For example: carpal tunnel surgery, arthroscopy, knee repair (ACL repair), shoulder repair, fracture surgery, hand surgery.
Back, neck and spine conditions and services	Admission for investigation and/or treatment for the back, neck and/or spine. For example: spinal fusion, discectomy, spinal cord procedures, spinal disc replacement, laminectomy, treatment of scoliosis and lordosis.
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.
Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)	Admission for investigation and/or treatment of the kidney, bladder, prostate and other male reproductive organs. For example: cystoscopy, treatment of incontinence, prostate surgery, circumcision, male sterilisation and removal of kidney stones.
Ear, nose and throat conditions and services (hearing loss is listed separately)	Admission for investigation and/or treatment to the ear, nose and throat and related areas of the head and neck (spine is listed separately under back, neck and spine). For example: removal of tonsils and adenoids, sinus surgery, grommet surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, stapedectomy, throat cancer, thyroid procedures, larynx procedures, mouth and maxilla-facial procedures and procedures relating to lymph nodes.
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device.
Digestive system conditions and services	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder pancreas, appendix, oesophagus, haemorrhoid surgery, hernia and liver. Endoscopy is listed as a separate category.
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an

FOI 26-3059
Document 6

Clinical Definition	Description
	endoscope. For example: colonoscopy, gastroscopy, ERCP.
Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	Admission for investigation and/or treatment of breast disorders. For example: both male and female breast surgery and the associated lymph nodes, and reconstruction after breast cancer surgery.
Chemotherapy and radiotherapy for cancer	Admission for chemotherapy and radiotherapy for the treatment of cancer. Surgical treatment of cancer is listed separately under each particular body system.
Plastic and reconstructive surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	Admission for investigation and/or treatment of any physical deformity, whether acquired (for example: skin grafts following burns) or congenital (for example: repair of cleft palates, club foot). Other examples include: scar revision, breast reduction, removal of breast prosthesis and angioma. These forms of treatment are considered medically necessary, rather than cosmetic. Cosmetic surgery is not covered under private health insurance.
Surgery for skin lesions	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.
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.
Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.
Mental health services (services for drug and alcohol related issues are listed separately)	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy.
Services for drug and alcohol related issues	Admission for the treatment and care of patients for drug and alcohol detoxification and addiction therapy.
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.

Australian Government

Private Health Ministerial Advisory Committee

Agenda Item 5
Meeting of 8 November 2017

Agenda Item	Topic
5	Gold, Silver, Bronze, Basic implementation

Purpose of discussion/key issues

Key issues

- On 13 October 2017, the Minister for Health, the Hon Greg Hunt MP, announced the Government's private health insurance reform package. It includes a measure to introduce Gold/Silver/Bronze/Basic product categorisations from 1 April 2019. A fact sheet on these changes is at Attachment A.
- The minimum requirements for the Gold/Silver/Bronze/Basic product categories are not yet finalised. The Government has stated that these will be finalised during 2017-18 in consultation with industry and the Private Health Ministerial Advisory Committee (PHMAC).
- The Secretariat has prepared the Issues paper at Attachment B identifying the key design principles that will apply under the new arrangements and draft minimum product requirements that could be considered for each category. Feedback is sought from members on these draft minimum requirements. The service categories for hospital treatment in the issues paper reflect the list of standard clinical definitions agreed by PHMAC out-of-session in October 2017.
- Members are requested to submit written feedback to the Secretariat on the draft minimum requirements, via email to PHMAC.Secretariat@health.gov.au. This feedback is required by COB Friday 8 December 2017.
- The Department of Health will also be holding a forum with private health insurers on 29 November 2017. We expect to discuss the draft minimum requirements for each category of cover at that forum.
- The Department of Health expects to undertake a further round of consultation with industry and to finalise the minimum requirements with PHMAC in early 2018.
- The Private Health Insurance Rules which will give effect to the new product categories should be made (finalised) by June 2018, prior to coming into effect on 1 April 2019. This timing is necessary to enable insurers to incorporate the changes into their 2019 premium round submissions.

Action required

Recommendations

1. DISCUSS the draft minimum requirements to apply to each category of cover.
2. PROVIDE FEEDBACK on the draft minimum requirements by 8 December 2017.

Attachments

Attachment A: Fact Sheet: Gold/Silver/Bronze/Basic product categories

Attachment B: Issues paper: Gold, Silver, Bronze, Basic implementation

FOI 26-3059
Document 7

Attachment A

Private health insurance reforms: Gold/Silver/Bronze/Basic product categories

A new system for categorising health insurance products will be introduced in 2019

- Private health insurance products will be simplified for consumers through the creation of easily understood categories of cover.
- There will be four categories of hospital products – Gold, Silver, Bronze and Basic – and three categories of general treatment (extras) products –Gold, Silver and Bronze. Where insurers offer combined hospital and general treatment products, separate ratings will apply to each component of the product.
- These product categorisation arrangements will take effect from 1 April 2019.
- Minimum requirements for each category of cover will be finalised during 2017–18 in consultation with industry and the Private Health Ministerial Advisory Committee.

Why is this important?

- Private health insurance is an important issue to many Australians, with 55 per cent of the population covered by some form of health insurance.
- The Government's private health insurance consultations revealed that consumers find health insurance products complex and difficult to understand.
- Consumers face considerable difficulty trying to compare private health insurance products. They also find it difficult to understand what services different products do, and do not, cover.

Who will benefit?

- The new product categories will provide consumers with greater certainty about the services covered by each type of product.
- The changes will make it easier to shop around and compare different products and find a product that meets their needs.

How much will this cost?

Funding of $2.5 million has been allocated over three years (2017–18 to 2019–20) to support the development and introduction of the new product categories, and to establish an expert committee to examine opportunities to address low value and inefficient care. Further information on the expert committee is included in a separate fact sheet.

What impact will this change have on private health insurance?

This change is designed to help consumers compare different products more easily and shop around for a better deal.

FOI 26-3059
Document 7

Attachment B

ISSUES PAPER: GOLD, SILVER, BRONZE, BASIC IMPLEMENTATION

Introduction

On 13 October 2017, the Minister for Health, the Hon Greg Hunt MP, announced the Government's private health insurance reform package. The package includes a measure to introduce Gold/Silver/Bronze/Basic product categorisations from 1 April 2019. The objective of this reform is to allow consumers to compare different policies more easily and to understand better what services different products do, and do not, cover.

The minimum requirements for the Gold/Silver/Bronze/Basic product categories are not yet finalised. The Government has stated that the minimum requirements for each category will be finalised during 2017-18 in consultation with industry and the Private Health Ministerial Advisory Committee (PHMAC). The Secretariat has prepared this paper outlining the key design principles that will apply under the new arrangements and suggesting draft minimum product requirements that could be considered for each product category. Feedback is sought from members on these draft minimum requirements.

Key design principles

In agreeing to the product design reforms, Government decided on a number of principles that would apply under the new arrangements. These principles are described below.

Legislative changes

The implementation of the Gold/Silver/Bronze/Basic categories will not require amendment of primary legislation (i.e. the *Private Health Insurance Act 2007*). The changes will be given effect through changes to subordinate legislation, expected to be the *Private Health Insurance (Complying Product) Rules 2015*.

Number of product categories

There will be four categories of hospital products – Gold, Silver, Bronze and Basic – and four categories of general treatment (extras) products – Gold, Silver, Bronze and Ambulance only cover. Where insurers offer combined hospital and general treatment products, separate (or modular) ratings will apply to each component of the product.

Existing product branding using terms 'Gold',' Silver' and 'Bronze'

Some insurers currently brand their products using terms such as Platinum, Gold, Silver or Bronze. These terms do not necessarily provide an accurate representation of the level of cover offered by a particular product. The Commonwealth Rules that give effect to the new product categories will set minimum coverage requirements for products. Insurers will not be able to use the terms Gold, Silver or Bronze (or similar, e.g. Platinum) on products unless they meet the minimum coverage requirements set out in these Rules.

FOI 26-3059
Document 7

Flexibility within product categories

The Government supports competition in the private health insurance market and will not mandate for standard products. The new arrangements will allow insurers to cover additional services within each product category so long as they meet the specified minimum product requirements for the relevant product category. However, the Government will not allow for optional coverage of a selection of services in order to meet a minimum product requirement. For example, the minimum product requirements will not allow for a product to meet the Bronze or Silver product category by providing cover for a selection of say, 5 of 7 services.

Full coverage of a service category

If a service covered within a particular product tier, then all procedures and/or services within that treatment category are covered; an insurer can't offer partial cover of a treatment category, or say they cover, but then not cover everything.

Restrictions and co-payments (hospital treatment products)

Restrictions will not be permitted for Gold hospital treatment products, but will be allowed in the Basic, Bronze and Silver product categories. Co-payments will be permitted across all categories of hospital treatment products.

Minimum product standards

The existing minimum Complying Health Insurance Product (CHIP) requirements of the *Private Health Insurance Act 2007*[1] will continue to represent the minimum level of cover for hospital products. Under the new arrangements, the CHIP will represent the minimum coverage requirement for Basic products. There will be separate, more comprehensive, minimum product coverage requirements for Gold, Silver and Bronze products (discussed below).

Draft Gold/Silver/Bronze/Basic product coverage requirements

The Secretariat has prepared draft minimum product requirements that could be considered for each category of hospital and general treatment products. These are outlined in Table 1 and Table 2 on the following pages for PHMAC's consideration and feedback.

The hospital treatment service categories listed in Table 1 reflect the list of standard clinical definitions agreed by PHMAC out-of-session in October 2017. Appendix 1 provides a more detailed description of the services included within each of these categories.

[1] The CHIP requires that private health insurance policies that cover hospital treatment must provide a benefit for any part of hospital treatment for psychiatric care, palliative care, or rehabilitation if the treatment is provided in a hospital setting (or in a community-based setting if the individual is covered for hospital-substitute treatment).

FOI 26-3059
Document 7

Table 1: Hospital treatment products - draft minimum product requirements

	Minimum coverage requirements			
Hospital Treatment category	**Basic**	**Bronze**	**Silver**	**Gold**
RESTRICTIONS PERMITTED	√	√	√	X
Rehabilitation	√	√	√	√
Mental health services	√	√	√	√
Services for drug and alcohol related issues	√	√	√	√
Palliative care	√	√	√	√
Heart and heart-related conditions and services	X	X	X	√
Vascular and vascular-related conditions and services	X	X	X	√
Lung and lung-related conditions and services	X	X	√	√
Brain and brain-related conditions and services	X	√	√	√
Eye and eye-related conditions and services	X	X	X	√
Cataract procedures	X	X	X	√
Pregnancy and birth related conditions and services	X	X	X	√
Assisted reproductive services	X	X	X	√
Female reproductive conditions and services	X	X	√	√
Joint replacements	X	X	X	√
Bone and joint conditions and services	X	√	√	√
Back, neck and spine conditions and services	X	X	√	√
Dialysis for chronic kidney disease	X	X	X	√
Kidney, bladder and male reproductive conditions and services	X	X	√	√
Ear, nose and throat conditions and services	X	√	√	√
Hearing loss surgery	X	X	X	√
Digestive system conditions and services	X	√	√	√
Weight loss surgery	X	X	X	√
Endoscopy	X	√	√	√
Breast surgery	X	X	√	√
Chemotherapy and radiotherapy for cancer	X	√	√	√
Plastic and reconstructive surgery	X	X	√	√
Surgery for skin lesions	X	X	√	√
Dental surgery	X	X	√	√
Insulin pumps	X	X	X	√
Management of ongoing (chronic) pain	X	X	√	√
Podiatric surgery	X	X	√	√
Sleep studies	X	X	X	√

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FOI 26-3059
Document 7

Table 2: General treatment products - draft minimum product requirements

General Treatment category	Minimum coverage requirements		
	Bronze	Silver	Gold
General dental	√	√	√ [1]
Major Dental	X	√	√ [1]
Endodontic	X	√	√ [1]
Orthodontic	X	√	√ [1]
Optical	√	√	√ [1]
Physiotherapy	X	√	√ [1]
Non-PBS Pharmaceuticals	X	√	√
Podiatry	X	X	√
Psychology	√	√	√
Chiropractic	X	X	√
Hearing aids and audiology	X	X	√
Prostheses, Aids and Appliances	X	X	√
Preventative Health Products/Health Management Programs	√	√	√
Speech Therapy	X	X	√
Occupational Therapy	X	X	√
Dietetics	X	X	√
Orthoptics (Eye Therapy)	X	X	√

Notes:

1: For products to obtain Gold rating, benefit limits for General Dental, Major Dental Endodontic, Orthodontic, Orthodontic, Optical and Physiotherapy must be average or above average for the industry.

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Timeline for finalisation of minimum product requirements

The following table outlines some of the key activities and deadlines that will be associated with the implementation of the new product categories. It is not an exhaustive list and is likely to be subject to some revision as implementation of the new arrangements progress.

Activity	Timing
PHMAC consideration of draft minimum product requirements	8 November 2017
PHMAC member feedback on draft minimum product requirements	8 November 2017 – 8 December 2017
Forum with private health insurers (Canberra)	29 November 2017
PHMAC consideration of second iteration of minimum product requirements	13 February 2018
Further consultation with private health insurers	February-March 2018
Preparation of Commonwealth Private Health Insurance rules	April-June 2018
Rules made to give effect to Gold/Silver/Bronze/Basic	June 2017
Commencement of 2019 Premium Round	August 2018
Premium Round submissions due	November 2018
Premium Round announcement	February 2019
Insurers communicate 2019 premium changes and product arrangements	February-March 2019
New product arrangements come into effect	1 April 2019