

Appendix 1

Table of Clinical Definitions and Descriptions

Clinical Definition	Description
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.
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.

Clinical Definition	Description
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. 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.

Clinical Definition	Description
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 (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.

Clinical Definition	Description
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.

Table of Clinical Definitions, Descriptions and Procedures

Clinical Definition	Description	Procedures
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.	Care Type: 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.	Care Type: Mental Health Care
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.	Care Type: Palliative Care
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.	MBS Item Numbers: 11700-11727; 13400; 38200-38812 Care Type: Code 1 Acute Care MDC: 5. Diseases and Disorders of the Circulatory System ADRG: A40; F01-F07; F09-F10, F12; F17-F19; F22-F24; F40-F43; F60-F62; F68-F69; F72; F74-F76
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.	Care Type: Acute Care ADRG: B04, B40, B62; F08; F14; F20-F21; F63-F67; F73
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.	Care Type: Acute Care ADRG: A13-A15, E01-E03; E40-E42; E60-77
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.	MBS Item Numbers: 39000-39124; 39500-40118; 40700-40905 Care Type: Acute Care ADRG: B01-B02, B07, B41-B42, B63-B64, B66-B81
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.	MBS Item Numbers: 42503-42695; 42713; 42719-43023 Care Type: Acute Care ADRG: C01-C05; C10-C16; C60-C63
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.	MBS Item Numbers: 42698-42710; 42716
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.	MBS Item Numbers: 16399-16636 Care Type: Acute Care
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.	MBS Item Numbers: 13200-13292
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	MBS Item Numbers: 35500-35684; 35694-35759 Care Type: Acute Care

Clinical Definition	Description	Procedures
	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 listed separately under back, neck and spine.	MBS Item Numbers: 49318-49346; 49518-49534; 48918-48927; 49116-49117; 49715-49717; 49839-49842; 49857
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.	Care Type: Acute Care ADRG: B05-B06, B65; F11; F13
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.	MBS Item Numbers: 40300-40351; 47681-47702; 48600-48694; 50600-50644 Care Type: Acute Care ADRG: B03, B82-B83
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.	MBS Item Numbers: 13100-13112
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.	MBS Item Numbers: 35687-35691; 37622-37623 Care Type: Acute Care
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.	MBS Item Numbers: 41500-41615; 41620-41910 Care Type: Acute Care ADRG: D02, D04-D15, D60-D66
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device.	MBS Item Number: 41617 ADRG: D01
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.	Care Type: Acute Care ADRG:
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.	MBS Item Numbers: 31569-31590
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.	MBS Item Numbers: 30473-30481; 30484-30487; 30490-30491; 30680-30710; 32023; 32084-32095; 32103-32106 Care Type: Acute Care
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; reconstruction and/or breast reduction if required to obtain symmetry after breast cancer surgery.	Care Type: Acute Care

Clinical Definition	Description	Procedures
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.	MBS Item Numbers: 13915-13948; 15000-15900; 16003-16018
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.	MBS Item Numbers: 45000-45797 Care Type: Acute Care ADRG:
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.	Care Type: Acute Care
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.	MBS Item Numbers: 22900-22905 ADRG: D40, D67
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.	Care Type: Acute Care
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.	Care Type: Acute Care
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.	MBS Item Numbers: 12203-12217; 12250

Private Health Insurance Hospital Products – Draft Gold/Silver/Bronze and Basic categorisation
Suggested modifications to minimum coverage requirements for product categories

#	Proposed clinical definition (treatment category)	Suggested amendments	Basic	Bronze	Silver	Gold
1	Rehabilitation	Nil	✓	✓	✓	✓
2	Mental health services	Nil	✓	✓	✓	✓
3	Services for drug and alcohol related issues	Nil	✓	✓	✓	✓
4	Palliative care	Nil	✓	✓	✓	✓
5	Brain and brain-related conditions and services	Nil	X	✓	✓	✓
6	Chemotherapy and radiotherapy for cancer	Nil	X	✓	✓	✓
7	Endoscopy	Nil	X	✓	✓	✓
8	Joint reconstruction surgery (e.g. shoulder and knee)	New definition	X	✓	✓	✓
9	Minor female reproductive conditions & services	New definition – includes termination & miscarriages	X	✓	✓	✓
10	Removal of tonsils and adenoids	New definition	X	✓	✓	✓
11	Surgery to/removal of appendix (potentially also hernia)	New definition	X	✓	✓	✓
12	Breast surgery	Bronze ← Silver	X	✓	✓	✓
13	Dental surgery	Bronze ← Silver	X	✓	✓	✓
14	Eye and eye-related conditions and services	Bronze ← Gold	X	✓	✓	✓
15	Lung and lung-related conditions and services	Bronze ← Silver	X	✓	✓	✓
16	Kidney, bladder and male reproductive conditions and services	Bronze ← Silver	X	✓	✓	✓
17	Digestive system conditions and services	Remove 'surgery to/removal of appendix' (potentially also hernia) >> new definition (See #11)	X	✓	✓	✓
18	Ear, nose and throat conditions and services	Remove 'removal of tonsils and adenoids' >> new definition (see #10)	X	✓	✓	✓
19	Surgery for skin lesions	Cover 'skin grafts' and rename definition 'Skin related surgeries' Bronze ← Silver	X	✓	✓	✓
20	Bone and joint conditions and services	Remove 'joint reconstructions' >> new definition (See #8) Rename definition 'Other bone and joint conditions'	X	✓	✓	✓
21	Congenital defects and conditions	New definition	X	X	✓	✓
22	Heart and heart-related conditions and services	Silver ← Gold	X	X	✓	✓
23	Sleep studies	Silver ← Gold	X	X	✓	✓
24	Vascular and vascular-related conditions and services	Silver ← Gold	X	X	✓	✓
25	Female reproductive conditions and services	Remove 'minor gynaecological surgery' >> new definition (see #9) Rename definition 'Major female reproductive surgery'	X	X	✓	✓
26	Back, neck and spine conditions and services	Remove 'spinal fusion' >> existing definition for #37	X	X	✓	✓
27	Plastic and reconstructive surgery	Remove 'congenital defects & conditions' >> new definition (See #21) Remove 'remove skin grafts' >> existing definition for #19.	X	X	✓	✓
28	Podiatric surgery	Multiple insurers suggest removing as coverage requirement.	X	X	✓	✓
29	Pregnancy and birth related conditions and services	Remove 'termination & miscarriage' >> new definition (see #9) Bronze ← Gold (not proposed by PHIs, significant premium impacts)	X	X	X	✓
30	Joint replacements	Cover 'Spinal fusion' and rename 'Joint replacements and spinal fusion'	X	X	X	✓
31	Management of ongoing (chronic) pain	Gold → (from) Silver	X	X	X	✓
32	Assisted reproductive services	Nil	X	X	X	✓
33	Cataract procedures	Nil	X	X	X	✓
34	Dialysis for chronic kidney disease	Nil	X	X	X	✓
35	Insulin pumps	Nil	X	X	X	✓
36	Hearing loss surgery	Nil	X	X	X	✓
37	Weight loss surgery	Nil	X	X	X	✓

Key: **Proposed new clinical definition** ←/→ Realignment of coverage (up/down categories) Modified by either: Services moved into clinical definition / new service in definition / Rename treatment category



Australian Government

Private Health Ministerial Advisory Committee

Agenda Item 4
Meeting of 13 February 2018

Agenda Item	Topic
4	Product design
Purpose of discussion/key issues	
Key issues Feedback has been received from PHMAC members and insurers on the draft minimum product requirements presented to PHMAC on 8 November 2017. The key issues are: 1) <i>Restrictions and co-payments (hospital products)</i> - The Minister has indicated that affordability is a major concern and that regulatory changes that generate large premium increases will not be accepted. For this reason the Government decided it will not regulate for an across-the-board removal of restrictions or co-payments. - A number of members provided feedback to the Chair in December 2017 raising concerns on the proposed application of restrictions and co-payments in Bronze and Silver product categories. Members are concerned that permitting multiple forms of restrictions or co-payments will increase product complexity and make it difficult for consumers to compare products. It was also noted that any expansion in restricted cover products may further contribute to the growth of private patients treated in public hospitals. - The Chair would like to have a discussion on this issue with the intention of providing advice to the Minister on options or approaches to address these concerns. 2) <i>Insurer feedback on product categories (hospital and general treatment products)</i> - Members are also asked to consider the feedback provided by insurers on the draft product categories in relation to: a) possible modifications to the coverage requirements for product categories, such as re-aligning service coverage across categories and creating new clinical definitions (outlined in Attachment A); and b) policy and implementation issues (summarised in Attachment B). Background - An insurers' forum was held on 29 November 2017 to discuss the reform package. The forum was also attended by several PHMAC member organisations, the Private Health Insurance Ombudsman and the Australian Prudential Regulation Authority. - These attendees were invited to make submissions on the package. Around 20 confidential submissions were received.	
Action required	
Recommendations - AGREE possible options or approaches to address member concerns regarding the application of restrictions and co-payments. - CONSIDER and DISCUSS the insurer feedback on product categories.	
Attachments	
Attachment A: Insurer feedback on draft minimum product requirements Attachment B: Summary of other policy issues and implementation issues Attachment C: Suggested modifications to minimum coverage requirements for product categories	

Attachment A**Product design - Insurer feedback on possible modifications to the minimum coverage requirements**

Approximately 20 submissions were received from insurers. This attachment summarises the key issues and modifications suggested. Several submissions were provided on a confidential basis. As such, this document does not identify the source of individual comments.

Restrictions (hospital products)

A number of insurers indicated that restrictions are a known 'pain point' for consumers and it would be appropriate to limit their application. Several suggestions were provided on how restrictions could (or should) be limited. These included:

1. restrictions should only be permitted for psychiatric care, rehabilitation and palliative care (i.e. for Complying Health Insurance Policy (CHIP) services);
2. restrictions should not be permitted in Silver (CHIP services excepted) or Gold; and
3. where a service is mandatory for a particular product tier (e.g. 'Female reproductive conditions and services' in Silver), the service must be covered on an unrestricted basis.

Adverse impacts for policyholders

Several insurers indicated that the draft clinical definitions, combined with the requirement for full coverage of a service category, would require insurers to substantially reconfigure most entry-level and mid-range products. Insurers were concerned these product reconfigurations would adversely impact a large number of policyholders in one or two ways, by:

- 1) increasing premiums, due to the need to provide expanded cover for services under the proposed clinical definitions that are not presently covered by existing products; and/or
- 2) generating detrimental product changes in situations where policyholders lose cover for a service (or services) previously covered by an existing product (such as removal of tonsils).

It was suggested these impacts could be minimised through the creation of additional clinical definitions or by realigning coverage within clinical definitions or across product tiers.

Additional, more granular clinical definitions (hospital products)

Several insurers suggested additional clinical definitions be established for minor surgical procedures commonly covered by entry-level products, such as: 'Removal of tonsils and adenoids', 'Surgery to/removal of appendix' and 'Minor female reproductive conditions and services'. (Under the draft clinical definitions these procedures are captured respectively by: 'Ear, nose and throat conditions and services', 'Digestive system conditions and services' and 'Female reproductive conditions and services'.) The table over the page identifies additional clinical definitions suggested by insurers.

Realignment of coverage across product tiers and modified definitions

A number of insurers also suggested that cover for some services be realigned across product categories or that some services be moved into other modified clinical definitions. For example one insurer indicated that the following services proposed for Silver products be extended into the Bronze category: 'Breast surgery'; 'Dental surgery'; Lung and lung-related conditions and services'; and 'Kidney, bladder and male reproductive conditions and services'. The table over the page also shows the suggested realignment of coverage across product tiers and modified definitions clinical proposed by insurers.

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Table: Insurer suggested modifications to minimum coverage requirements for product categories (Hospital Products)

#	Proposed clinical definition (treatment category)	Suggested amendments	Basic	Bronze	Silver	Gold
1	Rehabilitation	Nil	✓	✓	✓	✓
2	Mental health services	Nil	✓	✓	✓	✓
3	Services for drug and alcohol related issues	Nil	✓	✓	✓	✓
4	Palliative care	Nil	✓	✓	✓	✓
5	Brain and brain-related conditions and services	Nil	X	✓	✓	✓
6	Chemotherapy and radiotherapy for cancer	Nil	X	✓	✓	✓
7	Endoscopy	Nil	X	✓	✓	✓
8	Joint reconstruction surgery (e.g. shoulder and knee)	New definition	X	✓	✓	✓
9	Minor female reproductive conditions & services	New definition – includes termination & miscarriages	X	✓	✓	✓
10	Removal of tonsils and adenoids	New definition	X	✓	✓	✓
11	Surgery to/removal of appendix (potentially also hernia)	New definition	X	✓	✓	✓
12	Breast surgery	Bronze ← Silver	X	✓	✓	✓
13	Dental surgery	Bronze ← Silver	X	✓	✓	✓
14	Eye and eye-related conditions and services	Bronze ← Gold	X	✓	✓	✓
15	Lung and lung-related conditions and services	Bronze ← Silver	X	✓	✓	✓
16	Kidney, bladder and male reproductive conditions and services	Bronze ← Silver	X	✓	✓	✓
17	Digestive system conditions and services	Remove 'surgery to/removal of appendix' (potentially also hernia) >> new definition (See #11)	X	✓	✓	✓
18	Ear, nose and throat conditions and services	Remove 'removal of tonsils and adenoids' >> new definition (see #10)	X	✓	✓	✓
19	Surgery for skin lesions	Cover 'skin grafts' and rename definition 'Skin related surgeries' Bronze ← Silver	X	✓	✓	✓
20	Bone and joint conditions and services	Remove 'joint reconstructions' >> new definition (See #8) Rename definition 'Other bone and joint conditions'	X	✓	✓	✓
21	Congenital defects and conditions	New definition	X	X	✓	✓
22	Heart and heart-related conditions and services	Silver ← Gold	X	X	✓	✓
23	Sleep studies	Silver ← Gold	X	X	✓	✓
24	Vascular and vascular-related conditions and services	Silver ← Gold	X	X	✓	✓
25	Female reproductive conditions and services	Remove 'minor gynaecological surgery' >> new definition (see #9) Rename definition 'Major female reproductive surgery'	X	X	✓	✓
26	Back, neck and spine conditions and services	Remove 'spinal fusion' >> existing definition for #37	X	X	✓	✓
27	Plastic and reconstructive surgery	Remove 'congenital defects & conditions' >> new definition (See #21) Remove 'remove skin grafts' >> existing definition for #19.	X	X	✓	✓
28	Podiatric surgery	Multiple insurers suggest removing as coverage requirement.	X	X	✓	✓
29	Pregnancy and birth related conditions and services	Remove 'termination & miscarriage' >> new definition (see #9) Bronze ← Gold (not proposed by PHIs, significant premium impacts)	X	X	X	✓
30	Joint replacements	Cover 'Spinal fusion' and rename 'Joint replacements and spinal fusion'	X	X	X	✓
31	Management of ongoing (chronic) pain	Gold → (from) Silver	X	X	X	✓
32	Assisted reproductive services	Nil	X	X	X	✓
33	Cataract procedures	Nil	X	X	X	✓
34	Dialysis for chronic kidney disease	Nil	X	X	X	✓
35	Insulin pumps	Nil	X	X	X	✓
36	Hearing loss surgery	Nil	X	X	X	✓
37	Weight loss surgery	Nil	X	X	X	✓

Key: Proposed new clinical definition ←/→ Realignment of coverage (up/down categories) Modified by either: Services moved into clinical definition / new service in definition / Rename treatment category

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General treatment (extras) products

Standard clinical definitions

Several insurers indicated that there is variability in the way in which different funds cover general treatment services such as 'Major dental', 'General dental' and 'Health management plans'. Insurers indicated it would be helpful to establish standard clinical definitions similar to those being developed for hospital products.

Benefit limit benchmarks for Gold Classification

A number of insurers raised concern around how the benefit limit benchmarks for the Gold product would be calculated. Several insurers noted that industry average benefit levels will change year to year and indicated there may be some administrative difficulties associated with incorporating this into the categorisation arrangements.

Premium impacts

A number of insurers commented that the proposed categories were not reflective of current industry practice. Several insurers indicated that services such as 'Psychology' and 'Preventive Health Products/Health Management Programs' are not presently covered in most entry-level general treatment products. These insurers expressed the concern that any requirement for these services to be covered by Bronze products will result in significant premium increases for large numbers of policy holders.

For reference: Draft minimum requirements for general treatment products

The below table is a reproduction of the draft general treatment product categorisation requirements outlined in the 8 November 2017 PHMAC papers.

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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Attachment B

Summary of policy issues and implementation issues

The following four tables provide a summary of the feedback provided by private health insurers and PHMAC members on the draft minimum product requirements presented to PHMAC on 8 November 2017:

- Table A: Policy issues and considerations
- Table B: Implementation issues
- Table C: Hospital treatment product requirements
- Table D: General Treatment product requirements

Table A: Policy issues and considerations

Issue	View(s)
Restrictions should be removed	• Products with multiple forms of restrictions will not enable consumers to compare products and will generate complexity. • The extensive use of restrictions will further drive the growth of private patients in public hospitals.
Restrictions should be limited or applied in a standardised manner	• Restrictions should not be permitted in Silver cover except for Complying Health Insurance Policy (CHIP) services (psychiatric care, rehabilitation and palliative care). • The use of restrictions should be minimised and restrictions limited to CHIP services. • Where a service is mandatory for a particular product tier, the service must be covered on an unrestricted basis. • A number of services are missing (e.g. rheumatological services). It is suggested that where a service is not specified, insurers have discretion to exclude or restrict it. • Allowing restrictions for Silver and Bronze will incentivise some insurers to create products with restrictions to achieve a high classification at a low price point. • Limitations as to the room types provided in a public hospital is not a treatment/care based restriction and should not be considered as a restriction for the purposes of product context of categorisation.
Co-payments	• Co-payments should be removed; they are a source of confusion. • It is recommended that co-payment levels be capped.
Cancer treatment	• A concern was raised by multiple insurers about the possible separation of cancer treatments across product categories. 'Chemotherapy and radiotherapy for cancer' is covered in Bronze, but associated surgery on the cancer (such as lung surgery) may only be covered in Silver. • It was noted if such cancer services and treatments remain separated across product categories, this is separation of coverage should be made clear to consumers. • It has also been recommended that a more encompassing 'cancer treatment' definition be established.

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Issue	View(s)
Disruption to industry	The requirement for full coverage if a service category will mean that many existing (back book) products will not be compliant. Reconfiguring products will be disruptive to industry and is likely to lead to detrimental impacts for many consumers. Options for addressing this is to: introduce more granular service coverage categories; or consider grandfathering arrangements.
Grandfathering of products	- It is recommended that closed products be grandfathered and excluded from the new classifications. - Grandfathering should also be considered for existing products which do not provide full coverage of the services included under the new clinical definitions. - Grandfathering back book products may be an alternative to creating additional, more granular service categories. - Funds should be allowed to grandfather existing products with a view to transitioning all customers to compliant products by 2020.
Life stage products (optional coverage of selection of services)	- The draft categories are too prescriptive. Funds (and consumers) should have more flexibility. Insurers should be able to configure life stage products. The new arrangements should enable insurers to develop multiple products within a category targeting different cohorts. - Example criteria may be: Bronze covers CHIP and restrict up to 20 other service categories; Silver covers CHIP and restricts up to 10 other service categories.
Impact of changes on waiting periods	The application of the new categories and standard definitions will result in many policy holders either gaining access to new services or losing access to services previously covered. This will have implications for consumers in relation to waiting periods (i.e. recognition of periods already served, or new waiting periods that will need to be served). Industry will require clarification on how to apply waiting periods in these instances.
Coverage of services with limited clinical benefit	- Concern was raised about inclusion of services with limited clinical benefit, such as spinal fusion. Insurers should have discretion to cover such services. - Some procedures such as the da Vinci (srobotic) Surgical System and associated consumables do not have MBS item numbers. These items are costly, and do not necessary provide higher quality care. Any requirement to cover such services would be cost inflationary.

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Table B: Implementation issues

Issue	View(s)
Legislative changes	- There is a view that the product categorisation changes should be implemented through changes to primary legislation (the <i>Private Health Insurance Act 2007</i>), rather than through amendments to secondary legislation (the Complying Product Rules) because this will not provide insurers with sufficient certainty. - For example, the new clinical definitions should be reflected in the table within s72-1 of the Act.
MBS mapping of item numbers	Early visibility of MBS item codes mapped to each service category is required as soon as possible.
Consumer testing	Consumer testing of categories and terminology will be essential.
Alignment of current products against the new categories	It is anticipated that current products would mostly fit into the proposed Basic and Gold product tiers (i.e. very few existing products would align with the Bronze and Silver product categories).
Pricing relativities	There will not necessarily be a logical progression in premium levels across the product tiers – some Silver products will be more expensive than Gold products. This pricing issue will need to be explained to consumers.
Community education	It is recommended that Government undertake an extensive marketing/education campaign on the reforms. The \$2.5 million allocated is not sufficient.
Timing	Implementation timing will be tight and insurers seek some flexibility around timeframes for implementation. The 60 day code of conduct notification period requires funds to write to policyholders in January 2019 when many staff will be on leave.
Bronze <i>Plus</i> / Silver <i>Plus</i> products	Request for clarification – can insurers call their products Bronze Plus / Silver Plus?
Accident cover (accident override)	Will accident cover continue to be permitted under the new arrangements?
Missing standard clinical definitions	- A number of categories are missing. It is recommended that new categories be established for 'Diagnostic procedures'; 'Anaesthetics'; and 'All other MBS'. - Gender reassignment (sex reassignment surgery (SRS)) should be defined.

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Table C: Hospital treatment product requirements

Issue	View(s)
Rehabilitation	The current definition has the potential to be interpreted too widely. It is suggested that the description include “under the care of a fellow of the Royal Australasian Faculty of Rehabilitation Medicine”.
Mental health services	There is significant overlap between mental health and drug and alcohol conditions and splitting these categories will be difficult to implement. The Government should retain the existing psychiatric care category.
Services for drug and alcohol related issues	- Would like the reconsideration of the exclusion of drug and alcohol services from the waiting period exemption. There is significant overlap between mental health and drug and alcohol conditions and splitting these categories will be difficult to implement. - Excluding drug and alcohol services from the waiting period exemption is likely to generate consumer complaints.
Heart and heart-related conditions and services	- Treatment for Heart and heart-related conditions and services should be in Silver (not Gold), as per current product market. Heart and heart-related conditions and services are currently commonly included in Basic products. - It is recommended that the description also include monitoring of heart related conditions (e.g. daily ECGs or overnight BPs).
Vascular and vascular-related conditions and services	Treatment for Vascular and vascular-related conditions and services should be in Silver (not Gold), as per current product market. Vascular and vascular-related conditions and services are currently commonly included in Basic products.
Lung and lung-related conditions and services	- Treatments for cancers should be in Bronze (not Silver). - It is suggested that the title of this definition be changed to ‘Chest, lung and lung related conditions and services’.
Pregnancy and birth related conditions and services	- Should be covered in Bronze, Silver and Gold categories. - Government should consider allowing Gold products without pregnancy, to deliver lower price point comprehensive cover. - Terminations and miscarriages are currently commonly included in lower levels of cover. It is strongly recommended that terminations and miscarriages be moved to a new category such as ‘minor female reproductive services’. - It is recommended that this definition include repair of vaginal prolapse and polycystic ovaries in the description.

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Issue	View(s)
Female reproductive conditions and services	• It is counterintuitive for male and female reproductive conditions and services to appear in separate service categories; they should be in the same category. • If retained as a single 'female' category, consider establishing two gynaecological surgery/female reproductive categories: major (covered by Silver) and minor (covered by Bronze). • Suggest retitling this category (e.g. gynaecological surgery) so as to more clearly distinguish from 'Assisted reproductive services'.
Joint replacements	• Services such as shoulder and knee reconstructions are currently covered by Basic products. Raising cover for these services to Gold will result in detrimental impacts for consumers. Suggest the creation of new category of 'shoulder and knee reconstructions' (covered by Bronze) and retitling the remainder of this category 'Other bone and joint conditions and services'. • The title of this category may be confusing for some consumers who find it difficult to understand the difference between these services and 'Bone and joint conditions and services ' and 'Back, neck and spine conditions and services'.
Bone and joint conditions and services	• The title of this category may be confusing for some consumers who find it difficult to understand the difference between these services and 'Joint replacements' and 'Back, neck and spine conditions and services'. • It is suggested that the title of this definition be changed to 'Bone, joint and muscle conditions and services'.
Back, neck and spine conditions and services	• Concern raised about inclusion of spinal fusion, a service claimed to have limited clinical benefit. • Spinal fusion is a high cost service. Including it in this category would raise premiums. It is suggested establishing a separate spinal fusion category (and making this a Gold coverage requirement?). • The title of this category may be confusing for some consumers who find it difficult to understand the difference between these services and 'Joint replacements' and 'Bone and joint conditions and services'.
Kidney, bladder and male reproductive conditions and services	• The combination of 'kidney and bladder' with 'male reproductive conditions' is an unexpected combination. Kidney and bladder conditions are gender agnostic. Therefore their inclusion in this service category may surprise and confuse customers. • It is counterintuitive for male and female reproductive conditions and services to appear in separate service categories. They should be in the same category and there should be a separate 'Kidney and Bladder conditions' definition

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Issue	View(s)
Ear, nose and throat conditions and services	• Should be covered in Basic products. • Funds commonly only cover a subset of these services in lower level products (e.g. removal of tonsils, adenoids and grommet surgery). Requiring complete coverage will push up premiums for bronze. Suggested approach is to establish a removal of tonsils and adenoids category. • It is recommended that stapedectomy be removed from this definition and included in the 'Hearing loss' definition.
Hearing loss surgery	• It is recommended that stapedectomy be included in this definition (currently in the 'Ear, nose and throat conditions and services' definition).
Digestive system conditions and services	• Services such as hernia and appendectomy (appendix removal) are currently covered by Basic products. Raising cover for these services to Silver will result in detrimental impacts for consumers. Suggest the creation of new category for hernia and appendectomy.
Weight loss surgery	• It is recommended that this also include weight loss revision surgery.
Breast surgery	• Treatments for breast cancers should be in Bronze (not Silver).
Chemotherapy and radiotherapy for cancer	• Chemotherapy and radiotherapy for cancer should be covered in Basic.
Plastic and reconstructive surgery	• There is ambiguity about how medical necessity will be determined for this service under the clinical definitions (e.g. rhinoplasty exceeding benchmarks). • Services such as skin flaps and congenital defects are currently covered by Basic products. Raising cover for these services to Silver will result in detrimental impacts for consumers. Suggest the creation of new category capturing skin flaps and congenital defects.
Surgery for skin lesions	• Treatments for skin cancers should be in Bronze (not Silver). • It is recommended that the title for this definition be changed to 'Skin and skin related conditions'. The term lesion is quite narrowing and not reflective of the current description.
Dental surgery	• Treatment for Dental surgery should be in Bronze (not silver). • Insurers are not currently required to pay hospital benefits for these services. Dental surgery is often performed by dentists who generally cannot bill Medicare – as distinct from maxillofacial surgeons. It is not clear whether insurers would be required to pay benefits towards the hospital admission only, or whether insurers would also be required to contribute to medical fees. It is not clear how these medical costs could be accommodated or calculated, in the absence of an applicable MBS item number. • It is suggested that the Government make clear these services would only attract benefits for hospital accommodation and there may be large out-of-pocket fees for medical charges.

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Issue	View(s)
Insulin pumps	• Need to make it clearer that this only applies in the context of inpatient/admitted treatment. Otherwise this is likely to result in significant consumer complaints. • There is a lack of consistency around when different insurers will replace an insulin pump (e.g. only when warranties expire, or every 5 years, or only when the pump fails).
Management of ongoing (chronic) pain	• Treatments for management of ongoing (chronic) pain should be in Gold (not silver). • For services such as injection for chronic pain, need to make it clear services that this only applies in the context of inpatient/admitted treatment. Otherwise this is likely to result in significant consumer complaints.
Podiatric surgery	• It is suggested this be removed as a minimum requirement. This surgery does not have an MBS number and is not uniformly covered by funds. In addition, there are very few podiatric surgeons practising and it is not a widely available service.
Sleep studies	• Treatment for sleep studies should be in Silver (not Gold), as per current product market. Sleep services are currently commonly included in Basic products.

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Table D: General Treatment product requirements

Issue	View(s)
Suitability of categorisations for general treatment products	The suitability of Gold/Silver/Bronze categorisation for general treatment is questionable, given the perceived value of these products is subjective to different consumers. Product classifications do not provide clarity as the level of benefits paid by a particular product and minimum coverage requirements may deter customers from purchasing products which provide cover for services they do not need.
Need for a Basic category of general treatment	A basic category should be included, which has no pre-requisites.
Annual benefit limits and benefit levels	- Minimum annual limit and benefit thresholds should be set for the proposed Silver and Gold classifications to enable consumers to more effectively compare different products. - A minimum annual dental benefit of \$1,500 would be appropriate. This limit should be reviewed regularly (e.g. every 5 years).
Benefit levels benchmarks for Gold classification	- Likely to have an inflationary effect on premiums. - This will be difficult to apply/administer. Industry averages are subject to variability. How many modalities will this benchmark be applied to? - A decision is required on whether the calculation of the benefit benchmark is based on products which are closed to new members. - This will benefit funds that pay high rebates for a very small number of treatments. - If a product drops from Gold to Silver due to growth in industry average, does the fund need to communicate this re-categorisation as a detrimental change?
Ambulance only cover	- Need to ensure that consumers do not purchase this cover when they don't require it, such as when it is already covered by their hospital treatment policy. - There is lack of consistency around how different insurers cover ambulances (e.g. some insurers cover unlimited services; other only allow 1 service per year). - Clarity is required on what falls within the definition of ambulance (e.g. only road transports, air transport, inter-hospital transfers).
Disruption to industry	The product categorisations are not reflective of current industry practice. There is not currently a minimum coverage requirement. Implementing this minimum coverage level is likely to lead to detrimental impacts for consumers and increased premiums. Many lower level products do not currently cover services proposed for Bronze, e.g. psychology, preventive health programs.

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Issue	View(s)
Clinical Definitions	• Clinical Definitions are required for general treatment services; insurers currently classify services differently (e.g. general and major dental). • Dental service categories could be based on Australian Dental Association Schedule. • Other services that need clarification include: ○ 'prostheses, aids and appliances' is a very large category that could include any manner of items, such as crutches, braces, orthotics and splints – as well as pregnancy compression garments, wigs, artificial limbs, blood glucose monitors etc. ○ 'Health management plan' is a very broad service inclusion which could vary greatly in coverage.
Implementation timing	• It is unlikely that development work can be finalised in time for April 2019, suggest deferring implementation of GSB for general treatment. • It is suggested to defer the implementation of some changes, such as the inclusion of psychology in Bronze by three years.
Some common general treatment services are omitted	• Services such as chiropractic and osteopathy are commonly covered by general treatment products. These services should be added as requirements for the Silver category.
General dental	• Need to identify/clarify the treatments covered in General and Major Dental
Major Dental	• Need to identify/clarify the treatments covered in General and Major Dental.
Orthodontic	• Suggest this be removed as a minimum requirement. This service is predominantly used by a specific market segment (children under 20) and there is not a widespread need/demand for this form of coverage.
Optical	• It is suggested that this service be reconsidered as a minimum coverage requirement for Bronze. This is a service many young people do not require. Its inclusion will increase premiums.
Physiotherapy	• Should be included as a Bronze coverage requirement.
Psychology	• Many lower level products do not currently cover psychology. Including it in Bronze will push up premiums. • It general treatment categories are to be homogenised, a stepped care approach to psychology services should be adopted, where patients are directed to most appropriate treatment pathways. Telephone based Cognitive Behaviour Therapy should be part of minimum requirements. • Clarity is required on the parameters of this coverage requirement, including relationship with MBS coverage for psychology services (can these benefits only be paid once MBS services have been exhausted?)

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Issue	View(s)
Preventative Health Products/Health Management Programs	• Clarity is required on what is included within this definition. • Many lower level products do not currently cover Preventative Health Products/Health Management Programs. Including it in Bronze will push up premiums. Suggest removing as a minimum requirement for Bronze.
Orthoptics (Eye Therapy)	• This is a requirement for Gold cover. It was noted that this item is rarely included on any policies in the current market and is better suited to Bronze or Silver.

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s22

From: SINGER, Andrew
Sent: Monday, 19 February 2018 7:35 PM
To: s22
Subject: RE: Podiatric Surgery [SEC=UNCLASSIFIED]

s22

Podiatrist surgery is a separate profession (a branch of podiatry). In some aspects, they are in competition with Orthopaedic Surgeons on foot procedures but, as s22 states, they do not have MBS items, so may be out of scope.

Dr Andrew Singer, MBBS FACEM FIFEM
Principal Medical Adviser, Australian Government Department of Health;
Adjunct Associate Professor, Australian National University Medical School;
Senior Specialist in Emergency and Retrieval Medicine, Canberra Hospital and Health Services

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Sent with BlackBerry Work
(www.blackberry.com)

From: s22 <s22@health.gov.au>
Date: Monday, 19 Feb 2018, 17:48
To: SINGER, Andrew <Andrew.Singer@health.gov.au>
Subject: Podiatric Surgery [SEC=UNCLASSIFIED]

Hi Andrew
I am meeting with s22 tomorrow and she has raised the issue that podiatric surgeons do not have any items in the MBS.
Our definition for podiatric surgery is: 'investigation and/or treatment of conditions affecting the foot and/or ankle'.
My interpretation of this was to included orthopaedic surgery of the ankle and foot into the category. Is this the correct interpretation of the definition and the intent of the working group?
Happy to discuss
s22

Private Health Insurance Reform Taskforce
Department of Health
p: (02) 6289 s22 e: s22@health.gov.au m: PO Box 9878, Canberra ACT 2601

Table of Clinical Definitions and Procedures

Private health insurers will be required to use the standard clinical definitions to inform customers of services included in their policies, across all their documentations and platforms.

At minimum, the procedures listed under a standard clinical definition must be covered for by the insurer if the service is included in the policy. Insurers will be permitted to include additional procedures as part of their cover of a service category but these must be clearly listed in the information provided to customers, and cannot be a substitute for a mandatory procedure.

Note

- Where it is not specified, the following procedures are also covered by the service category if they are provided to an admitted patient as part of the delivery of a MBS item listed in the same service category: consultations, general diagnostic procedures, diagnostic imaging, pathology services, pre-operative assessment, anaesthesia and regional nerve blocks, general surgery items*, attendance at operations, and management of complications related to the principal service.

*General surgery items are services relevant to all surgical procedures, for example 13815 - Central vein catheterisation, 30058 – control of postoperative haemorrhage.

[Red track changes reflect suggestions proposed by insurers during the industry forum of 7 November 2017. Andrew Singer agreed to these changes but further considerations from a policy perspective may be required.]

[Purple track changes reflect ^{s22} initial comments of 20/02/18, supported by ^{s22}]

Treatment group	Clinical definition	Procedures
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.	MBS Item Numbers ¹ : ~~385-388~~
Psychiatric services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy.	MBS Item Numbers ¹ : 135-137; 170-172; 289; ~~296-370~~ ; 6018-6024; 6028-6042; ~~14209~~ ; 14224
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.	MBS Item Numbers ¹ : ~~14218~~ ; 2801-2814; 2946-3000; 3005-3014; 3032-3093; ~~39100-39140~~
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. <u>Monitoring of heart conditions is also included in this category. For example ECGs and overnight BPs.</u>	MBS Item Numbers ¹ : 11700-11727; 12500; 13400; 13818; 13847-13854; 35361; 38200-38276; 38287-38293; 38300-38318; 38350-38393; ~~38460-38469~~ ; 38470-38473; 38475-38495; 38496-38509; 38512-38518; ~~38550-38577~~ ; 38588; ~~38600-38627~~ ; 38615-38627; 38637-38656; 38670-38680; 38700-38766; ~~39130-39131~~ ; ~~39134-39139~~
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.	MBS Item Numbers ¹ : 6080-6081; 11600-11627; 13015-13030; ~~14209~~ ; 30213-30214; 30602-30606; 32500-32526; 32700-33181; 33500-33554; 33800-33848; 34100-34130; 34142-34175; 34500-34518; 34800-34833; 35100-35103; 35200-35202; 35300-35360; 35362-35363; 35412-35414; 38550-38577; 38600-38613; 45500-45505; 45560-45561

Commented [BR1]:
Yellow = repeated MBS mapping
Orange row = new category

Commented [MK2]: Exclude the following as they are provided out of hospital eg consultation room:
296
299
300-319
330-338
343-361

Commented [BR3]: Items attract a 75% benefit, hence why it was included

Commented [MK4]: This is the only psychiatric procedure

Commented [MK5]: Pain management

Treatment group	Clinical definition	Procedures
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.	MBS Item Numbers ¹ : 6007-6015; 11503-11512; 13842; 13857; 30090; 30072 ; 30600-30601; 34133-34139; 38415-38469; 38800-38812; 43503; 43512; 43909-43915; 47471; 47920-47930 ; 47948-47651 ; 48406-48409
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.	MBS Item Numbers ¹ : 11000-11027; 12325-12326; 13830; 14224 ; 39000-39018; 39130-39131 ; 39134-39139 ; 39300-39330; 39333; 39500-40118; 40600-40905; 43503; 43512; 43521-43524
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.	MBS Item Numbers ¹ : 11200-11244; 30061; 42503-42695; 42713; 42719-43023; 45590-45593; 45614-45629; 45665
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.	MBS Item Numbers ¹ : 42698-42710; 42716; 51309
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies, terminations and miscarriages are listed separately)	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. <u>Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services.</u>	MBS Item Numbers ¹ : 13300-13319; 16399-16627; 35674-35678; 4380-44114; 44133; 55700-55775
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, vaginal prolapse, polycystic ovaries, 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. <u>Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services.</u>	MBS Item Numbers ¹ : 14203-14206; 30062; 30373 ; 30384-30400 ; 35500-35684; 35694-35759; 35410; 35500-35673; 35680-35759
Miscarriages and termination of pregnancy services	<u>Admission for investigation and/or treatment of minor gynaecology services. For example evacuate and curettage of the pregnant womb for the treatment of a spontaneous miscarriage or termination of pregnancy.</u>	MBS Item Numbers ¹ : 16519-16522; 16525; 16530; 16564; 35640; 35643; 35658
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.	MBS Item Numbers ¹ : 13200-13292

Treatment group	Clinical definition	Procedures
Joint replacements <u>and spinal fusion</u>	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, <u>spinal disc replacement and spinal fusion</u> . <u>Other spinal treatments are listed separately under back, neck and spine</u> .	MBS Item Numbers ¹ : 47920-47930; 47948-47951; 48606-48613; 48618-48627; 48632; 48640; 48648-48690; 48915-48927; 48942; 49115-49117; 49209-49211; 49309-49346; 49512-49534; 49545-49548; 49554; 49715-49717; 49839-49842; 49857; 50127; 50604-50608; 50620-50623; 50640
Joint reconstructions	<u>Admission for the investigation and/or treatment of a joint reconstruction problem other than replacement</u> . For example: knee ligament reconstruction ~~repair~~ (ACL repair), shoulder repair, arthroscopy.	MBS Item Numbers ¹ : 47588-47591; 47920-47930; 47948-47951; 48900-48912; 48930-489393; 48945-48960; 49100-49109; 49118-49209; 49212-49306; 49360-49509; 49536-49542; 49551; 49557-49569; 49700-49709; 50100-50121; 50130; 50312
Bone and joint conditions and services (joint replacements are listed as a separate category, <u>joint reconstructions are listed separately</u> 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.	MBS Item Numbers ¹ : 11012-11021; 12306-12322; 14227-14242; 30068; 30081-30093; 30107-30114; 30226-30244; 30611; 31340; 39331; 43500-43524; 44325-44376; 45817; 46300-46534; 47000-47072; 47301-47402; 47411-47468; 47474-47585; 47594-47678; 47703; 47708; 47726-47732; 47900-47903; 47920-47936; 47948-47951; 47954-47981; 48200-48242; 48400-48427; 48500-48512; 49712; 49718-49878; 50200-50239; 50246; 50300-50309; 50333-50345; 50348-50394; 50402-50408; 50426; 50500-50540; 50552-50588; 50650-50658; 18350-18379
Back, neck and spine conditions and services (<u>spinal fusion is listed separately under Joint replacements and spinal fusion</u>)	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.	MBS Item Numbers ¹ : 11201; 12512-12521; 30672; 35000-35012; 39139; 40300-40351; 43509; 43518; 43524; 47405-47408; 47468; 47681-47702; 47920-47930; 47948-47951; 47982; 48600-48603; 48615-48618; 48630; 48636; 48642-48645; 48678-48694; 50221-50224; 50544-50548; 50600; 50612-50616; 50636; 50644
Ear, nose and throat conditions and services (hearing loss listed separately <u>and tonsils, adenoids and grommets are listed</u>)	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 maxillofacial procedures and procedures relating to lymph nodes. <u>Tonsils, adenoids and grommets are listed separately under Tonsils, adenoids and grommet surgery. Stapedectomy is listed under Hearing loss surgery.</u>	MBS Item Numbers ¹ : 30072-30078; 30099-30105; 30246-30320; 30326-30336; 30384; 30618; 31400-31438; 41500-41599; 41620-41787; 41804-41910; 43900-43903; 44130-44133; 45048; 45596-45611; 45632-45646; 45650; 45665; 45675-45676; 45716-45758; 45788; 45799-45815; 45819-45821; 45825-45835; 45849-45894; 45900-45996; 47735-47789; 51900-52186; 52800-53600
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device <u>and stapedectomy</u> .	MBS Item Number ¹ : 11300-11339; 41603-41618
Tonsils, adenoids and grommet surgery	<u>Admission for investigation and/or treatment of the tonsils, adenoids and grommets.</u>	MBS Item Number ¹ : 41786-41804

Commented [MK6]: Reconstructions do not require investigations

Commented [MK7]: Joint reconstructions and B&J should be combined

Treatment group	Clinical definition	Procedures
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.	MBS Item Numbers ¹ : 13100-13112
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.	MBS Item Numbers ¹ : 11900-11921; 12500; 12524-12527; 12533; 30321-30323; 30373; 30384-30400; 30628-30635; 30640-30645; 30649-30666; 35687-35691; 36663-37053; 37200-37245; 37300-37444; 37601-37623; 37800-37854; 43981-43987
Digestive system conditions and services (hernia and appendectomy is listed separately)	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder, pancreas, ~~spleen, appendix~~ , oesophagus, haemorrhoid surgery, ~~hernia~~ and liver. Endoscopy is listed as a separate category. Hernia and appendix is listed separately under Hernia and appendicectomy.	MBS Item Number ¹ : 11800-11810; 11830-11833; 12506-12509; 13506; 14200; 14212; 30373-30473; 30481-30483; 30488; 30492; 30495-30566; 30575-30594; 30596-30599; 30608; 30623-30626; 30636-30639; 31450-31454; 31460-31468; 31472; 32000-32018; 32024-32075; 32096-32102; 32105; 32108-32221; 31470; 43930-43936; 43942-43978; 43990-44105
Hernia and appendicectomy	Admission for investigation and/or treatment of the appendix or hernias.	MBS Item Number ¹ : 30387-30405; 30571-30574; 30609; 30614-30615; 30621; 30645-30646; 43835; 43841; 43939; 44108-44114
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.	MBS Item Numbers ¹ : 30165-30172; 30177-30179; 31569-31591
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.	MBS Item Numbers ¹ : 11820-11823; 30473-30479; 30484-30485; 30490-30491; 30494; 30568-30569; 30619; 30622; 30627; 30680-30710; 31456-31458; 32023; 32084-32095; 32103-32106; 32023; 32084-32095; 32103-32104; 32106
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; reconstruction and/or breast reduction if required to obtain symmetry after breast cancer surgery. treatment of the endocrine system.	MBS Item Numbers ¹ : 31503-31566; 30324; 30097
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.	MBS Item Numbers ¹ : 13915-13948; 15000-15900; 16003-16018; 35404-35408; 34521-34534; 34540; 50950-50952

Commented [BR8]: §22 advised many breast surgeons also operate on the endocrine system

Treatment group	Clinical definition	Procedures
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.	MBS Item Numbers ¹ : 14201-14202; 30003-30020; 30061; 30064; 30176; 31345-31355; 45000-45797; 45000-45045; 45051-45240; 45400-45499; 45506-45560; 45562-45588; 45632-45644; 45647; 45650-45661; 45668-45674; 45716; 45794-45797
Plastic and reconstructive surgery of congenital defects and conditions	<u>Admission for investigation and/or treatment of any physical congenital deformity. For example repair of cleft palates, club foot.</u>	MBS Item Numbers ¹ : 31250 ; 45662; 45677-45716; 45767-45785; 45897; 50315-50330; 50396-50399; 50411-50423; 50450-50476; 52300-52484; 75024-75854
Surgery for <u>skin and</u> 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.	MBS Item Numbers ¹ : 12000-12024; 14050-14124; 30023-30055; 30064; 30071; 30180-30214; 30223-30225; 30611; 30676-30679; 31000- 31250 ; 31356-31376; 44136; 47904-47918
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.	MBS Item Numbers ¹ : 51700-51803; 51900-51902; 52600-52636
Insulin pumps	~~Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.~~ <u>Provision of insulin pumps for treatment of diabetes.</u>	MBS Item Numbers ¹ : ~~14221~~
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.	MBS Item Numbers ¹ : 14218; 18213-18298; 35000-35012; 39100-39140
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.	As there are no Medicare items for a podiatric surgeon or associated anaesthetist's services, a health fund is only required to pay the default benefit cover for accommodation for surgical procedures provided by a podiatric surgeon. The cost of prosthesis (included in the Government approved prostheses list) associated with the surgery must also be covered. or MBS Item Numbers: 44338-44364 (amputation of toe/s or foot); 47594-47678 (fractures); 47933-47936 (removal of growths); 49700-49878 (joint replacements and stabilisations); 50312 (arthroscopy of ankle joint); 50333-50345 (skeletalomuscular)
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.	MBS Item Numbers ¹ : 12203-12250

Commented [BR10]: Item for longer-term implantation of device for delivery of therapeutic agents – advised by **s22** that this most the most appropriate item for dialysis

Commented [MK9]: This is not an admitted patient procedure but will policies cover costs of insulin pumps

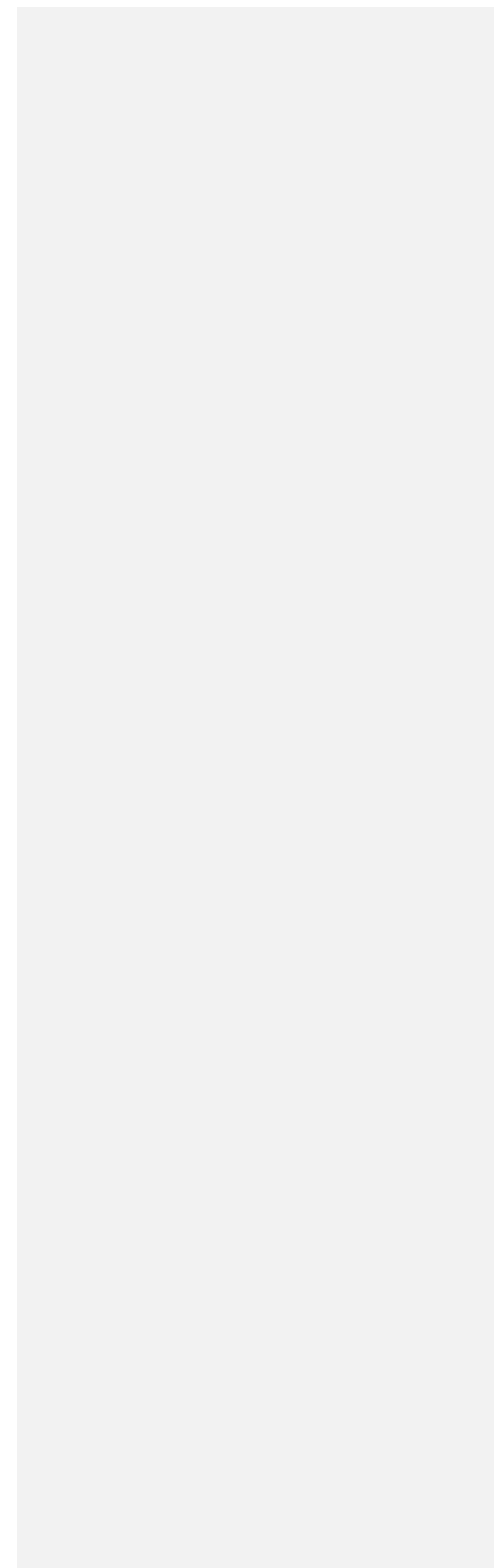


Table of Clinical Definitions and Procedures

Clinical definitions to be used by private health insurers to inform customers of services included in their policy.

Service Category	Clinical Definition
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.
Psychiatric services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy.
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.
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.
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. Monitoring of heart conditions is also included in this category. For example ECGs and overnight BPs.
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.

Service Category	Clinical Definition
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.
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.
Ear, nose and throat conditions and services (hearing loss listed separately and tonsils, adenoids 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: sinus surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, throat cancer, thyroid procedures, larynx procedures, mouth and maxillofacial procedures and procedures relating to lymph nodes. Tonsils, adenoids and grommets are listed separately under Tonsils, adenoids and grommet surgery. Stapedectomy is listed under Hearing loss surgery.
Hearing loss surgery	Admission for investigation and/or treatment to correct hearing loss, including implantation of a prosthetic hearing device and stapedectomy.
Removal of tonsils and adenoids	Admission for investigation and/or treatment of the tonsils, adenoids and grommets.
Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)	Admission for investigation and/or treatment for the back, neck and/or spine. For example: discectomy, spinal cord procedures, laminectomy, treatment of scoliosis and lordosis.

Service Category	Clinical Definition
Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately 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, fracture surgery, hand surgery.
Joint reconstruction surgery	Admission for the investigation and/or treatment of a joint reconstruction. For example: knee repair (ACL repair), shoulder repair, arthroscopy.
Joint replacements and spinal fusion	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, spinal disc replacement and spinal fusion. Other spinal treatments are listed separately under back, neck and spine.
Digestive system conditions and services (hernia and appendicectomy is listed separately)	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder, pancreas, spleen, oesophagus, haemorrhoid surgery, and liver. Endoscopy is listed as a separate category. Hernia and appendix is listed separately under Hernia and appendicectomy surgery.
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.
Hernia and appendicectomy surgery	Admission for investigation and/or treatment of the appendix or hernias.
Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.

Service Category	Clinical Definition
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.
Dialysis for chronic kidney disease	Admission and dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis.
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, vaginal prolapse, polycystic ovaries, 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. Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services.
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.
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 Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category. Miscarriages and termination of pregnancy are listed separately as Minor female reproductive conditions services.
Minor female reproductive conditions and services	Admission for investigation and/or treatment of minor gynaecology services. For example spontaneous miscarriage or termination of pregnancy.

Service Category	Clinical Definition
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; reconstruction and/or breast reduction if required to obtain symmetry after breast cancer surgery, treatment of the endocrine system.
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.
Surgery for skin and 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.
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, 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.
Congenital defects and conditions	Admission for investigation and/or treatment of any physical congenital deformity. For example repair of cleft palates, club foot.
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.



Private Healthcare Australia
Better Cover. Better Access. Better Care.



**Submission to Department of Health on Private Health Insurance
Reforms: Part 3
Product Design**

March 2018

Contact:

s47F



Issues Log

1. General issues

PHA seeks clarification from the Department on the following matters:

- for which product categories will restrictions be permitted? PHA has previously submitted that for Silver products, restrictions should be limited to services that form the minimum coverage requirements under the Private Health Insurance Act 2007 (psychiatric, rehabilitation and palliative care);
- how will general anaesthetics and diagnostic procedures be categorised?
- will there be a requirement that the whole treatment category is covered? PHA notes that this was indicated at the Department workshop last year, but some funds seek confirmation this is still the case.

Some funds continue to be concerned that the draft minimum product categories are too prescriptive, and do not give consumers and funds adequate discretion to design/choose products appropriate to their life stage. An alternative approach would be to specify the number of services that can be excluded in each product category, and to allow funds and consumers to decide which services they exclude.

As previously submitted, it is difficult to assess the impact of the requirement to provide full coverage of defined service categories until MBS items are mapped to the standard clinical definitions. It will also be necessary to map DRG and ICD codes for medical conditions. PHA reiterates that this mapping work is critical to timely implementation and must be completed as a matter of priority.

Introducing the new product categories on 1 April 2019 will require a lead time of several months so that funds can factor the changes into their premium submissions, make the necessary system changes and give consumers sufficient notice of the changes. To enable funds to plan for the delivery of this reform by 1 April 2019, we require further information from the Department on its proposed timings – including for further consultation, finalisation of product categories and drafting of legislative amendments. PHA recommends that consumer testing of the proposed categories be conducted to ensure that they are easily understood by consumers and achieve the Government's reform objectives.

2. Changes to categories 12-16

The proposed inclusion of these additional services in the Bronze category will significantly increase the price point for the Bronze product, forcing many consumers to downgrade to basic cover. PHA continues to support the inclusion of surgery for common cancers in the Bronze category (to avoid situations where a consumer is only covered for part of the cancer treatment they require). However, we request further information from the Department on the rationale for extending Bronze coverage beyond this, and whether any modelling of the likely effects on price of the proposed new changes has been conducted.

3. Pregnancy

The proposal to include pregnancy and birth related conditions and services in the Gold category only is important and consistent with current industry practice. If pregnancy is included in the Bronze product, as suggested by some stakeholders, this will drive up premiums by as much as 16 per cent.

4. Spinal fusion

PHA continues to submit that spinal fusion should be removed from the minimum product requirements because it has limited clinical benefit. We note that the pain medicine faculty of the Australian and New Zealand College of Anaesthetists has recommended that spinal fusion be added to the list of unnecessary procedures being developed through "Choosing Wisely". PHA submits that funds may choose to cover the treatment but this should not be mandatory unless there is evidence of clinical benefit.

Should spinal fusion be included, we strongly recommend that it is a separate category, and not included with other benefits.

5. Podiatric surgery

As previously submitted, podiatric surgery should also be removed from the minimum product requirements because it does not have an MBS item number and is currently not uniformly covered by funds. One fund notes that there are only ten qualified surgeons who meet the definition of a podiatric surgeon, and therefore including it in all Silver products may mislead consumers as to the accessibility of the service.

6. Endocrine system conditions and services

PHA submits that a stand-alone treatment category for endocrine system conditions and services is required, because the scope of treatments is broader than just breast surgery.

7. Psychiatric services

The table still refers to separate categories for mental health and drug and alcohol services, rather than the new single category for psychiatric services.

8. Congenital defects and conditions

Further clarification is required for congenital defects and conditions that may also fall within other treatment categories (eg. heart conditions). One fund suggests the congenital category be expanded to include all infant-related MBS codes, with a clear age cap.

9. Male reproductive conditions and services

It is unclear and potentially discriminatory to have separate treatment categories for male and female reproductive conditions and services, particularly where these attract different product categories.

10. Cataract procedures

This treatment category should be expanded to include major eye surgeries such as glaucoma, corneal procedures and sclera transplants. The costs of such surgeries warrant their coverage at the Gold level.

11. Skin grafts

The clinical definitions do not appear to have been updated as indicated in the table: skin grafts still appear in the plastic and reconstructive surgery category and not in the surgery for skin and skin lesions category.

12. Breast reduction and removal

Breast reduction and removal is included in both plastic and reconstructive surgery and breast surgery. The definitions should clarify that breast reduction/removal other than that required to obtain symmetry after breast cancer surgery is classified as plastic and reconstructive surgery.

13. Miscarriage and termination

We have concerns about labelling miscarriages/termination as “minor” conditions and services, and seek clarification on whether this includes wilful termination.

14. Joint reconstruction surgery

It is unclear whether this category is limited to shoulder and knee reconstructions. If so, the name of the category should be amended to reflect this.

15. Dental surgery

Currently funds are not required to pay hospital benefits for dental surgery and it is often performed by dentists who generally cannot bill Medicare. Funds are concerned about the impact on affordability of including dental surgery in the Bronze product, and of the potential for high out-of-pocket costs for consumers in relation to medical fees.

16. Digestive system conditions and services

PHA recommends that hernia be included in this category rather than in the category for appendix surgery. This is for consistency with current practice where hernia is generally not covered in entry level products.

17. High cost treatments

Some funds are concerned that including chronic conditions in some treatment categories may impact the affordability of Bronze/Silver products because of the high costs of treating these conditions. For example:

- including epilepsy and Parkinson’s disease in brain and brain-related conditions (Bronze); and
- including scoliosis in back, neck and spine conditions (Silver).

Including transplants (heart, lung, kidney, liver) in Bronze/Silver products may increase the price point of these products.

If these treatments are to be retained in minimum coverage requirements, consideration should be given to making them stand-alone treatment categories.

Comparison of old and new clinical definitions

The table below compares the list of current clinical hospital service categories that are used in Standard Information Statements (SISs) and the proposed standard clinical definitions that will be used in information to consumers. Current terminology is not defined thus there is no comparison of the descriptions or included services.

Current	Proposed standard clinical definitions
Cardiac and cardiac related services	- Heart and heart-related conditions and services - Vascular and vascular-related conditions and services
Cataract and eye lens procedures	- Eye and eye-related conditions and services (cataracts listed separately under cataract procedures) - Cataract procedures
Dialysis for chronic renal failure	Dialysis for chronic kidney disease
- Joint replacements ie shoulder, knee, hip and elbow including revisions - Hip and knee replacements - Hip replacements	- Joint replacements and spinal fusion - Joint reconstruction surgery - Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately and spine is listed separately under back, neck and spine) - Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)
Gastric binding and related services	Weight loss surgery

Current

- Non-cosmetic plastic surgery
- Pregnancy and birth related services
- Sterilisation
- Rehabilitation
- Psychiatric services
- Palliative care
- Assisted reproductive services

Proposed standard clinical definitions

- Plastic and reconstructive surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)
- Plastic and reconstructive surgery of congenital defects and conditions
- Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)
- Surgery for skin and skin lesions
- Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies)
- Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)
- Female reproductive conditions and services (Miscarriages and termination of pregnancy services are listed separately under Miscarriages and termination of pregnancy services)
- Rehabilitation
- Psychiatric services
- Palliative care
- Assisted reproductive services
- Management of ongoing (chronic) pain
- Brain and brain-related conditions and services
- Lung and lung-related conditions and services

Current**Proposed standard clinical definitions**

- Ear, nose and throat conditions and services (hearing loss listed separately and tonsils, adenoids listed separately)
- Hearing loss surgery
- Removal of tonsils and adenoids
- Digestive system conditions and services (hernia and appendicectomy is listed separately)
- Endoscopy
- Hernia and appendicectomy surgery
- Insulin pumps
- Miscarriages and termination of pregnancy services
- Chemotherapy and radiotherapy for cancer
- Dental surgery
- Sleep studies
- Podiatric surgery provided by an accredited podiatric surgeon

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medibank

28 February 2018

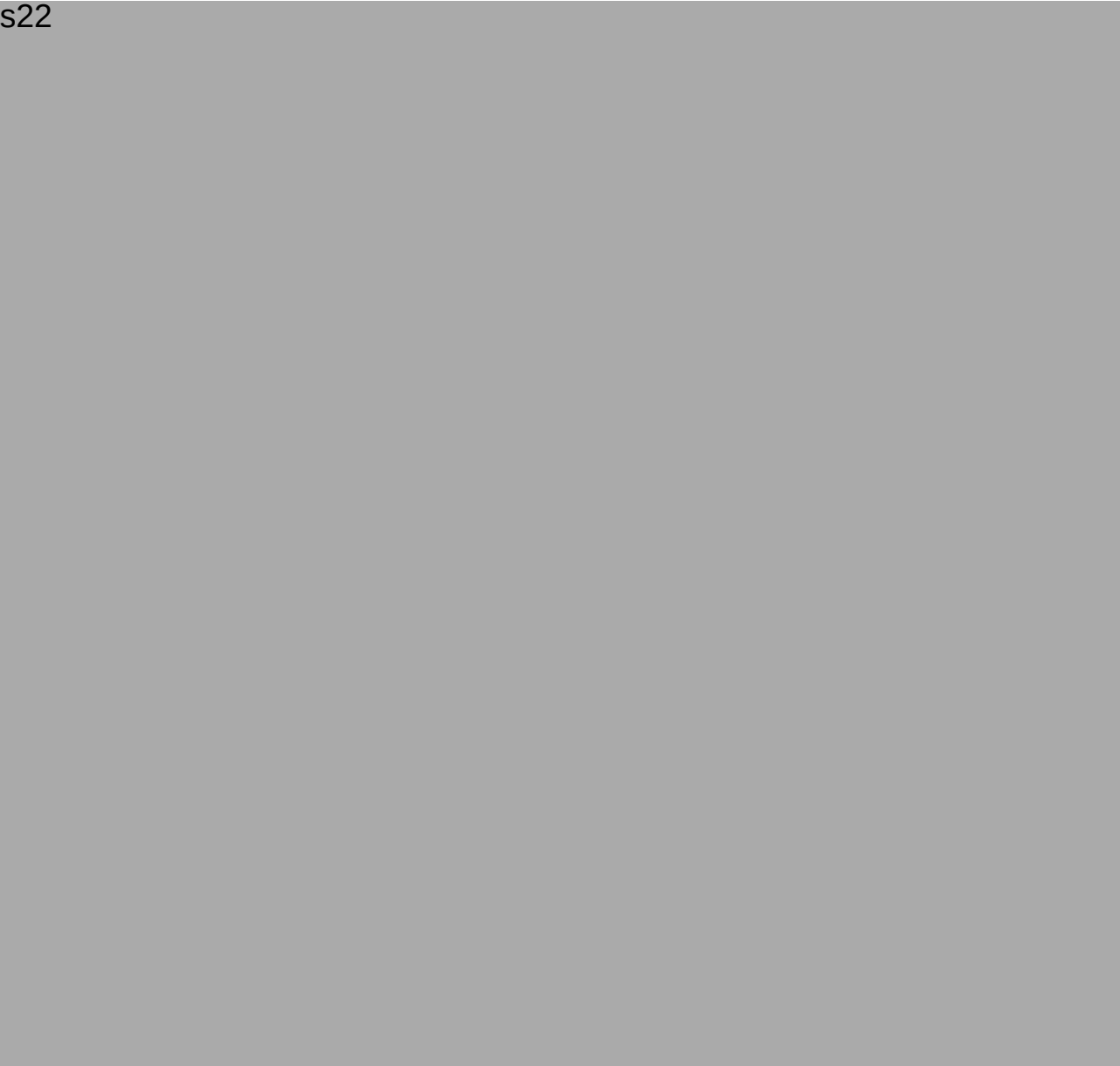
s47F

Director of Engagement, Policy & Strategy
Private Healthcare Australia

By email: s47F [@pha.org.au](mailto:s47F@pha.org.au)

This submission is provided in response to your email to insurers dated 16 February 2018 inviting comments on the Department of Health's (**the Department's**) proposed modifications to the Gold/Silver/Bronze/Basic service categories.

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Group Executive, Healthcare & Strategy

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Service category	Medibank comments
Mental health services Services for drug & alcohol-related issues	s22
Joint reconstruction surgery (e.g., shoulder and knee)	
Kidney, bladder & male reproductive conditions/ services	

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Dental surgery Podiatric surgery	As observed in Medibank's earlier comments, insurers aren't currently required to pay hospital benefits for these services under the PHI Act. To explain: • Podiatric surgery is performed by 'accredited podiatrists' who are currently unable to bill Medicare. • Similarly, dental surgery is often performed by dentists who generally can't bill Medicare – as distinct from maxillofacial surgeons. • It's not clear whether insurers would be required to pay benefits towards the hospital admission only, or contribute to the 'medical fees' also. It's not clear how these medical costs could be accommodated or calculated, in the absence of an applicable MBS item number. Recommendation: Medibank reiterates its earlier recommendation that – if these services are to be a new coverage requirement – the Government should make clear that these services only attract PHI benefits for hospital accommodation, and customers could experience large out-of-pockets for associated 'medical' charges (as insurers may pay 'medical fees' out of any applicable Extras product a customer may hold, meaning that customers who do not hold an Extras product or have reached their limit will receive no benefits towards these charges).
Digestive system conditions & services	s22
Congenital defects & conditions	
Pregnancy & birth-related conditions & services	

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	s22
Missing: Diagnostic procs.	
Missing: Anaesthetics	
Missing: 'All other MBS'	

B: VISIBILITY OF ITEM CODES ASSIGNED TO EACH SERVICE CATEGORY

s22

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s22



s22



s22



APPENDIX A

Table of Clinical Definitions and Procedures

Clinical definitions to be used by insurers to inform customers on what services are included in their products.

Services	Clinical Definition	Initial Medibank feedback
Rehabilitation	s22	
Psychiatric services		
Palliative care		
Management of ongoing (chronic) pain		
Brain and brain-related conditions and services		

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Services	Clinical Definition	Initial Medibank feedback
Heart and heart-related conditions and services	s22	
Vascular and vascular-related conditions and services		
Lung and lung-related conditions and services		
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)		
Cataract procedures		
Ear, nose and throat conditions and services (hearing loss listed separately and tonsils, adenoids listed separately)		

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Services	Clinical Definition	Initial Medibank feedback
Hearing loss surgery	s22	
Removal of tonsils and adenoids		
Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)		
Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately and spine is listed separately under back, neck and spine)		
Joint reconstruction surgery		
Joint replacements and spinal fusion		

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Services	Clinical Definition	Initial Medibank feedback
Digestive system conditions and services (hernia and appendicectomy is listed separately)	s22	
Endoscopy - Gastrointestinal		
Hernia and appendicectomy surgery		
Insulin pumps		
Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)		
Dialysis for chronic kidney disease		
Female reproductive conditions and services		

COMMERCIAL IN CONFIDENCE

Services	Clinical Definition	Initial Medibank feedback
Assisted reproductive services	s22	
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies)		
Minor female reproductive conditions and services		
Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)		
Chemotherapy and radiotherapy for cancer		
Surgery for skin and skin lesions		

COMMERCIAL IN CONFIDENCE

Services	Clinical Definition	Initial Medibank feedback
s22		
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle when provided by a podiatric surgeon.	

Attachment A

Summary of Industry Feedback

Revised Product categories - Policy

Issue	View
Restrictions	• Restrictions should be limited to CHIP services in categories up to and including Silver. • Preferred option: restrictions allowed on all product tiers except for Gold. Alternative option: Restrictions could be limited to CHIP services in Basic, Bronze and Silver. • Restrictions should be limited to CHIP services in Bronze and Silver. • No restrictions in Gold. • Restrictions should be limited to CHIP and restrictions not permitted on minimum requirements in categories in general. Restrictions can be applied for other services over and above minimum requirements.
Life stage products (optional coverage of selection of services)	• The minimum product categories are too restrictive, consider specifying the number of services that can be excluded in each category. Allow funds and consumers to decide which services they exclude.
Improved models of care	• Entrench concepts that are being considered on models of care such as provision of care with limited clinical efficacy, into the standardisation of clinical definitions. For example, promotion of undesirable practice through broad clinical definitions such as provision of spinal fusion and knee arthroscopy services. • Definition of Psychiatric and rehabilitation should make reference to treatment being appropriate given the consumer's disease, injury or condition.
Minimum requirements for complementary services in product categories	• What happens when a surgery is classified as Bronze but requires follow up treatment which is classified in silver Eg. surgery that is required for breast or skin lesion (Bronze) may also require an element of plastic and reconstructive surgery (Silver). This may be an issue if insurers decide to exclude the plastic surgery in their bronze product.

Consolidated feedback from Insurers on revised Product categories – Hospital treatment category alignment

Issue	View
Additional services in Bronze	Proposed inclusion of additional services in Bronze will significantly increase the price point for the Bronze product.
Return to Silver (from Bronze)	- Lung and lung related conditions and services. - Breast surgery. - Kidney, bladder and male reproductive conditions and services. - Surgery for skin and skin lesions. - Dental surgery. Potential for high out of pocket costs, not clear if funds would be required to contribute to 'medical costs' as well as admission.
Return to Gold (from Bronze)	Eye and eye related conditions and services.
Return to Gold (from Silver)	- Heart and heart-related conditions and services. - Vascular and vascular-related conditions and services. - Sleep studies.
Move from Gold to Silver	Management of ongoing (chronic) pain.
Spinal Fusion	- Remove from minimum requirements or make own category as limited clinical benefit. - Do not promote spinal fusion under minimum requirements or within broad clinical definitions.
Podiatric surgery	Remove from minimum requirements. Including this in Silver may mislead consumers as to the accessibility of the service. There is no MBS item and number and is not currently covered uniformly by funds.
Pregnancy and birth	Leave in Gold.

Consolidated feedback from Insurers on revised Product categories – Standard Clinical Definitions

Issue	View
New standard clinical definitions/treatment categories recommended	- Recommend Anaesthetics and diagnostics have their own clinical definitions. - New treatment category for Endocrine system conditions and services is required as scope of treatments is broader than just breast surgery.
High cost treatments in Bronze and Silver - clinical definitions impacting categories	- Likelihood that chronic conditions may impact affordability of Bronze and Silver products due to high cost of treating these conditions. If they are retained in minimum product requirements should make their own categories, for example: - Brain and brain related conditions in Bronze – includes epilepsy and Parkinson’s disease - Back, neck and spine conditions in Silver – includes scoliosis - Including transplants (heart, lung, kidney, liver) in Bronze/Silver products
Drug and Alcohol	Should combine mental health and drug and alcohol into psychiatric services.
Congenital defects and conditions	- Clarification required for congenital defects and conditions that may fall into other treatment categories (eg. heart conditions). - Remove this as a service category due to cross overs with other categories. - Congenital category could be expanded to include all infant-related MBS codes with a clear age cap eg. not only birth defects, but infant hernias, infant heart related conditions, absent organs. - Recommend renaming to ‘Paediatric-related surgery’.
Male and female Reproductive conditions and services	- Potentially discriminatory to have separate treatment categories for male and female reproductive conditions and services. - More logical from consumer perspective to combine male reproductive with female reproductive conditions and services.
Female Reproductive conditions and service	- Recombine minor female reproductive and female reproductive conditions. - Concerns about labelling miscarriages/termination as ‘minor’ conditions and services and seek clarification on whether this includes wilful termination (abortion). - Rename category to minor reproductive conditions and services, terminations and miscarriages in order to not cause offence.
Cataract procedures	Clinical definition should be expanded to include major eye surgeries such as glaucoma, corneal procedures and sclera transplants.
Surgery for skin and skin lesions – skin grafts	Clinical definitions should be updated to include skin grafts in the surgery for skin and skin lesions category not the plastic and reconstructive surgery category.

Breast reduction and removal	Breast reduction/removal is included in both plastic and reconstructive surgery and breast surgery. Breast reduction/removal other than that required to obtain symmetry after breast cancer surgery should be classified as plastic and reconstructive surgery.
Joint reconstruction surgery	- It is unclear whether Joint reconstruction surgery is limited to shoulder and knee reconstructions. If so the name of the category should be renamed to reflect this. - Retain Joint reconstructions under broader bone and joint category.
Digestive system conditions and services	- Comfortable with moving hernia to appendectomy if this is popular approach. - Support inclusion of hernia with appendectomy.
Knee arthroscopies	Undesirable practice with limited clinical efficacy should not be promoted through broad clinical definitions.
Weight loss surgery	Update Weight loss surgery to include weight loss revision surgery.

Attachment B

DRAFT Product Design (Hospital)

Excesses may be payable on some hospital policies	\$	\$	\$	\$
Hospital treatments & services by product category	Basic	Bronze	Silver	Gold
Rehabilitation	✓	✓	✓	✓
Psychiatric services	✓	✓	✓	✓
Palliative care	✓	✓	✓	✓
Brain and brain-related conditions and services	✗	✓	✓	✓
Eye and eye-related conditions (cataract listed under cataract procedures)	✗	✓	✓	✓
Ear, nose and throat conditions and services (hearing loss is listed separately and tonsils, adenoids is listed separately)	✗	✓	✓	✓
Tonsils, adenoids and grommet surgery	✗	✓	✓	✓
Bone and joint conditions and services (joint replacements, joint reconstructions listed separately and spine listed under back, neck and spine)	✗	✓	✓	✓
Joint reconstructions	✗	✓	✓	✓
Kidney, bladder and male reproductive conditions and services (dialysis listed under dialysis for chronic kidney disease)	✗	✓	✓	✓
Digestive system conditions and services (hernia, appendectomy listed separately)	✗	✓	✓	✓
Hernia and appendectomy	✗	✓	✓	✓
Endoscopy	✗	✓	✓	✓
Miscarriages and termination of pregnancy services	✗	✓	✓	✓
Chemotherapy and radiotherapy for cancer	✗	✓	✓	✓
Surgery for skin and skin lesions	✗	✓	✓	✓
Heart and heart-related conditions and services	✗	✗	✓	✓
Lung and lung-related conditions and services	✗	✗	✓	✓
Vascular and vascular-related conditions and services	✗	✗	✓	✓
Back, neck and spine conditions and services (spinal fusion listed separately under joint replacements and spinal fusion)	✗	✗	✓	✓
Female reproductive conditions and services	✗	✗	✓	✓
Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	✗	✗	✓	✓
Plastic and reconstructive surgery (non-medically necessary cosmetic service is not covered by Private Health Insurance)	✗	✗	✓	✓
Plastic and reconstructive surgery of congenital defects and conditions	✗	✗	✓	✓
Dental surgery	✗	✗	✓	✓
Podiatric surgery provided by an accredited podiatric surgeon	✗	✗	✓	✓
Cataract procedures	✗	✗	✗	✓
Hearing loss surgery	✗	✗	✗	✓
Joint replacements and spinal fusion	✗	✗	✗	✓
Dialysis for chronic kidney disease	✗	✗	✗	✓
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies)	✗	✗	✗	✓
Assisted reproductive services	✗	✗	✗	✓
Weight loss surgery	✗	✗	✗	✓
Insulin pumps	✗	✗	✗	✓
Management of ongoing (chronic) pain	✗	✗	✗	✓
Sleep studies	✗	✗	✗	✓
✓	A tick indicates that the treatment/service is a minimum requirement of the product category.			
✗	A cross indicates that the treatment/service is not a requirement of the product category. Insurers may choose to offer these as additional services in policies under these product categories.			

Attachment C

Standard Clinical Definitions

Private health insurers will be required to use the standard clinical definitions to inform customers of treatment and services included in their hospital insurance policies within all product material. All Medicare Benefit Schedule (MBS) items listed under a standard clinical definition must be covered if the service category is listed as an inclusion in the insurance policy.

Service category	Clinical Definition	Procedures
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation.	[TBA]
Psychiatric services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy.	MBS Item Numbers ¹ : 170-172; 289; 297; 320-328; 342-352; 364-370; 855-866; 6018-6024; 6028-6042; 14224
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness.	MBS Item Numbers ¹ : 14218; 2801-2814; 2946-3000; 3005-3014; 3032-3093; 39100-39106; 39115-39139
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, damaged nerves and peripheral nerves, and treatment of conditions such as epilepsy and Parkinson's disease	MBS Item Numbers ¹ : 6007-6015; 11000-11027; 11300-11339; 13830; 30336; 35000-35012; 35412; 39000-39018; 39106-39112; 39130; 39134-39139, 39300-39303; 39318-39330; 39333; 39500-40015; 40100-40118; 40342; 40600-40905; 43503; 43512; 43521-43524; 45578-45581; 52800-53600

¹ Where it is not specified, the following procedures are also covered by the service category if they are provided to an admitted patient as part of the delivery of a MBS item listed in the same service group: consultations, general diagnostic procedures, diagnostic imaging, pathology services, pre-operative assessment, anaesthesia and regional nerve blocks, general surgery items*, attendance at operations, anaesthesia and regional nerve blocks, and management of complications related to the principal service.

*General surgery items are services relevant to all surgical procedures, for example 13815 - Central vein catheterisation, 30058 – control of postoperative haemorrhage.

Service category	Clinical Definition	Procedures
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)	Admission for investigation and/or treatment of the eye and 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.	MBS Item Numbers ¹ : 11200-11244; 12325-12326; 30061; 42503-43023; 45614-45629
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens.	MBS Item Numbers ¹ : 42698-42710; 42713-42719; 51315-51318
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.	MBS Item Numbers ¹ : 11503-11512; 30090; 30600-30601; 30696-30710; 35330-35331; 38415-38469; 38800-38812; 43503; 43512; 43900-43915; 44130; 47471; 47920-47930; 48406-48409
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. Monitoring of heart conditions is also included in this category. For overnight blood pressure monitoring.	MBS Item Numbers ¹ : 11627; 11700-11727; 32760; 33103; 33145; 34103-34106; 35360-35361; 38200-38276; 38285-38293; 38300-38318; 38350-38393; 38447-38452; 38456; 38460-38766; 39130; 43912; 60800-60801
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.	MBS Item Numbers ¹ : 11600-11615; 13020-13030; 14209; 32500-32526; 32700-33181; 33500-33554; 33800-33848; 34100-34139; 34142-34175; 34500-34524; 34533; 34539; 34800-34833; 35100-35103; 35200-35202; 35300-35331; 35362-35363; 44325-44376; 45560-45561; 46465-46483

Service category	Clinical Definition	Procedures
Ear, nose and throat conditions and services (hearing loss listed separately and tonsils, adenoids and grommets are listed)	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: sinus surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, throat cancer, thyroid procedures, larynx procedures, mouth and maxillofacial procedures and procedures relating to lymph nodes. Tonsils, adenoids and grommets are listed separately under Tonsils, adenoids and grommet surgery. Stapedectomy is listed under Implanted devices for hearing loss surgery.	MBS Item Numbers ¹ : 11336; 30072-30078; 30104-30105; 30246-30320; 30618; 31400-31438; 41500-41599; 41620-41787; 41804-41910; 43503; 43512; 43900-43903; 44130; 45590-45593; 45632-45646; 45650; 45714-45716; 45788; 45578-45581; 47735-47741; 48816-48910; 52030-52035; 52092; 52108-52131; 52122-52141; 52147-52148
Implanted devices for hearing loss surgery	Admission for the treatment to correct hearing loss, including implantation of a prosthetic hearing device and stapedectomy.	MBS Item Number ¹ : 11300-11339; 41603-41618
Tonsils, adenoids and grommet surgery	Admission for investigation and/or treatment of the tonsils, adenoids and grommets.	MBS Item Number ¹ : 41789-41804
Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately 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, fracture surgery, hand surgery.	MBS Item Numbers ¹ : 18350-18379; 30068; 30075-30078; 30099-30103; 30107-30114; 30224-30244; 30672; 39331-39333; 40018; 43500-43524; 44325-44376; 45048; 46300-46309; 46327-46342; 46357-46396; 46417-46534; 47003-47678; 47703; 47708; 47726-47732; 47900-47982; 48118-48242; 48400-48427; 48500-48512; 48900-48912; 48927-48942; 49100-49109; 49212; 49300-49312; 49500-49515; 49545-49548; 49569; 49706-49712; 49718-49878; 50103-50121; 50130-50239; 50300-50309; 50336-50345; 50357-50408; 50426-50476; 50500-50588; 50650-50658; 52056-52087; 52180-52186

Service category	Clinical Definition	Procedures
Joint replacements and spinal fusion	Admission for surgery for all types of joint replacement, including revisions, resurfacing and partial replacements and removal of prostheses. For example: replacement of joints such as hip, knee, shoulder, ankle, wrist and finger, spinal disc replacement and spinal fusion. Other spinal treatments are listed separately under back, neck and spine.	MBS Item Numbers ¹ : 40211-40330; 40332; 40335; 46312-46325; 47948-47951; 48606-48694; 48915-48924; 49112-49117; 49200-49211; 49315-49346; 49517-49534; 49554; 49715-49717; 49839-49842; 49857; 50127; 50600-50644
Joint reconstructions	Admission for the investigation and/or treatment of a joint reconstruction. For example: knee repair (ACL repair), shoulder repair, arthroscopy.	MBS Item Numbers ¹ : 46345; 46408-46414; 47588-47591; 48945-48957; 48960; 49118-49121; 49200-49206; 49215; 49218-49227; 49360-49366; 49536-49542; 49551; 49557-49566; 49700-49703; 50100-50102; 50312; 50333
Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)	Admission for investigation and/or treatment for the back, neck and/or spine. For example: discectomy, spinal cord procedures, laminectomy, treatment of scoliosis and lordosis.	MBS Item Numbers ¹ : 14227-14242; 35000-35012; 39000-39018; 39115-39124; 39130; 39136; 39140; 39306-39315; 40018; 40309-40318; 40331; 40333-40334; 40336-40351; 43509; 43518; 43524; 44133; 47405-47408; 47468; 47681-47732; 47920-47930; 47948-47951; 47982; 48600-48603; 48636; 48642-48645; 48678-48694; 50221-50224; 50544-50548
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, removal of kidney stones, other kidney conditions including cancer, treatment of incontinence, prostate surgery, circumcision and male sterilisation.	MBS Item Numbers ¹ : 11830-11833; 11900-11921; 12524-12527; 30321-30324; 30373; 30490; 30628-30635; 30640-30644; 30649-30666; 35687-35691; 36663-37053; 37200-37245; 37300-37444; 37601-37623; 37800-37854; 43981-43984
Dialysis for chronic kidney disease	Admission for dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis. Vascular procedures related to haemodialysis are listed separately in vascular and vascular related conditions and services.	MBS Item Numbers ¹ : 13100-13112; 34538

Service category	Clinical Definition	Procedures
Digestive system conditions and services (hernia and appendectomy is listed separately)	Admission for investigation and/or treatment of the digestive system. For example: stomach, bowel, gall bladder, pancreas, spleen, oesophagus, haemorrhoid surgery, and liver. Endoscopy is listed as a separate category. Hernia and appendix is listed separately under Hernia and appendicectomy.	MBS Item Numbers ¹ : 11800-11810; 11830-11833; 12533; 12506-12509; 12512-12515; 12533; 13506; 14212; 30326-30336; 30373-30473; 30481-30483; 30488; 30492; 30495-30566; 30575-30599; 30600-30608; 30611; 30619; 30621-30622; 30623-30627; 30636-30639; 30676-30679; 31450-31458; 31460-31472; 32000-32018; 32023-32075; 32096-32102; 32105-32221; 34538; 38448; 43835-43838; 43900-43978; 43990-44114; 45564-45565
Hernia repair and appendicectomy	Admission for investigation and/or treatment of the appendix or hernia repair.	MBS Item Numbers ¹ : 30404-30405; 30571-30574; 30609; 30614-30615; 30645-30646; 43835; 43841; 44108-44114
Endoscopy	Admission for the diagnosis, investigation and/or treatment of internal parts of the gastrointestinal system using an endoscope. For example: colonoscopy, gastroscopy, ERCP.	MBS Item Numbers ¹ : 11820-11823; 30473-30479; 30484-30485; 30490-30491; 30494; 30568-30569; 30680-30694; 32023; 32084-32095; 32103-32105; 38404-38405; 38490-38491
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, vaginal prolapse, polycystic ovaries, 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. Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services.	MBS Item Numbers ¹ : 11900-11921; 14203-14206; 30062; 30384-30400; 35500-35759; 35410; 35500-35673; 35680-35759

Service category	Clinical Definition	Procedures
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies, terminations and miscarriages are listed separately)	Admission for investigation and/or treatment of conditions associated with pregnancy, child birth and its complications. Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category. Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services.	MBS Item Numbers ¹ : 13300-13319; 16399-16627; 35410; 35674-35678; 43801-43882; 55700-55775
Miscarriages and termination of pregnancy services	Admission for investigation and/or treatment of miscarriages and termination of pregnancy. For example: evacuation and curettage of the pregnant womb due to a spontaneous miscarriage or termination of pregnancy.	MBS Item Numbers ¹ : 35640; 35643
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.	MBS Item Numbers ¹ : 13200-13292
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; reconstruction and/or breast reduction if required to obtain symmetry after breast cancer surgery, treatment of the endocrine system.	MBS Item Numbers ¹ : 12306-12322; 14203-14206; 30097; 30296-30324; 31500-31566; 32023
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.	MBS Item Numbers ¹ : 13015; 13030; 13915-13948; 15000-16018; 30071-30096; 30384; 30618; 35404-35408; 34521-34534; 34539-34540; 50950-50952

Service category	Clinical Definition	Procedures
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, 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.	MBS Item Numbers ¹ : 30003-30049; 30055; 30165-30179; 31345; 31355; 31569-31591; 38457-38458; 39300-39303; 39318; 39331; 45000-45588; 45596-45647; 45650-45661; 45665-45676; 45716-45761; 45788; 45794-45996; 47000; 47736-47789; 52036; 52108-52131; 52300-52330; 52342-52430; 52600-52636; 75150-75153
Plastic and reconstructive surgery of congenital defects and conditions	Admission for investigation and/or treatment of any physical congenital deformity. For example repair of cleft palates, club foot.	MBS Item Numbers ¹ : 30213-30214; 30244; 31250; 39300-39303; 39318; 40100-40118; 43841-43882; 43900-43915; 43981-43984; 45564-45565; 45662; 45675-45676; 45714-45716; 45767-45785; 45791; 45897; 49878; 50315-50330; 50348-50354; 50411-50423; 50450-50476; 52333-52339; 52440-52484; 75024-75027
Surgery for skin and 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.	MBS Item Numbers ¹ : 13020; 13030; 12000-12024; 14050-14124; 30023-30055; 30061; 30064-30071; 30180-30225; 31000-31250; 31340; 31356-31376; 44136; 47904-47918
Weight loss surgery	Admission for surgery that is designed to reduce a person's weight. For example: gastric banding, gastric bypass and sleeve gastrectomy.	MBS Item Numbers ¹ : 30165-30172; 30177-30179; 31569-31591
Dental surgery	Admission for surgery to the teeth and gums. For example: surgery to remove wisdom teeth and dental implant surgery.	MBS Item Numbers ¹ : 51700-51703; 75030-75051
Insulin pumps	Admission for implantation and/or replacement of insulin pumps for treatment of diabetes.	[TBA- pending industry advice on appropriate MBS items for this category]

Service category	Clinical Definition	Procedures
Management of ongoing (chronic) pain	Admission for the treatment of chronic pain. For example: injection, denervation and insertion of stimulators.	MBS Item Numbers ¹ : 14218; 39100-39106; 39115-39139
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.	There are no Medicare items for a podiatric surgeon or associated anaesthetist's services. Health funds are required to pay the default benefit cover for accommodation for a surgical procedure provided by a podiatric surgeon and the cost of the prosthesis as listed in the Government approved prostheses list.
Sleep studies	Admission for the investigation of sleep patterns and anomalies. For example: sleep apnoea and snoring.	MBS Item Numbers ¹ : 12203-12250

MEDIBANK COMMENTS ON TABLE OF STANDARD CLINICAL DEFINITIONS CIRCULATED FOR COMMENT ON 26 MARCH 2018

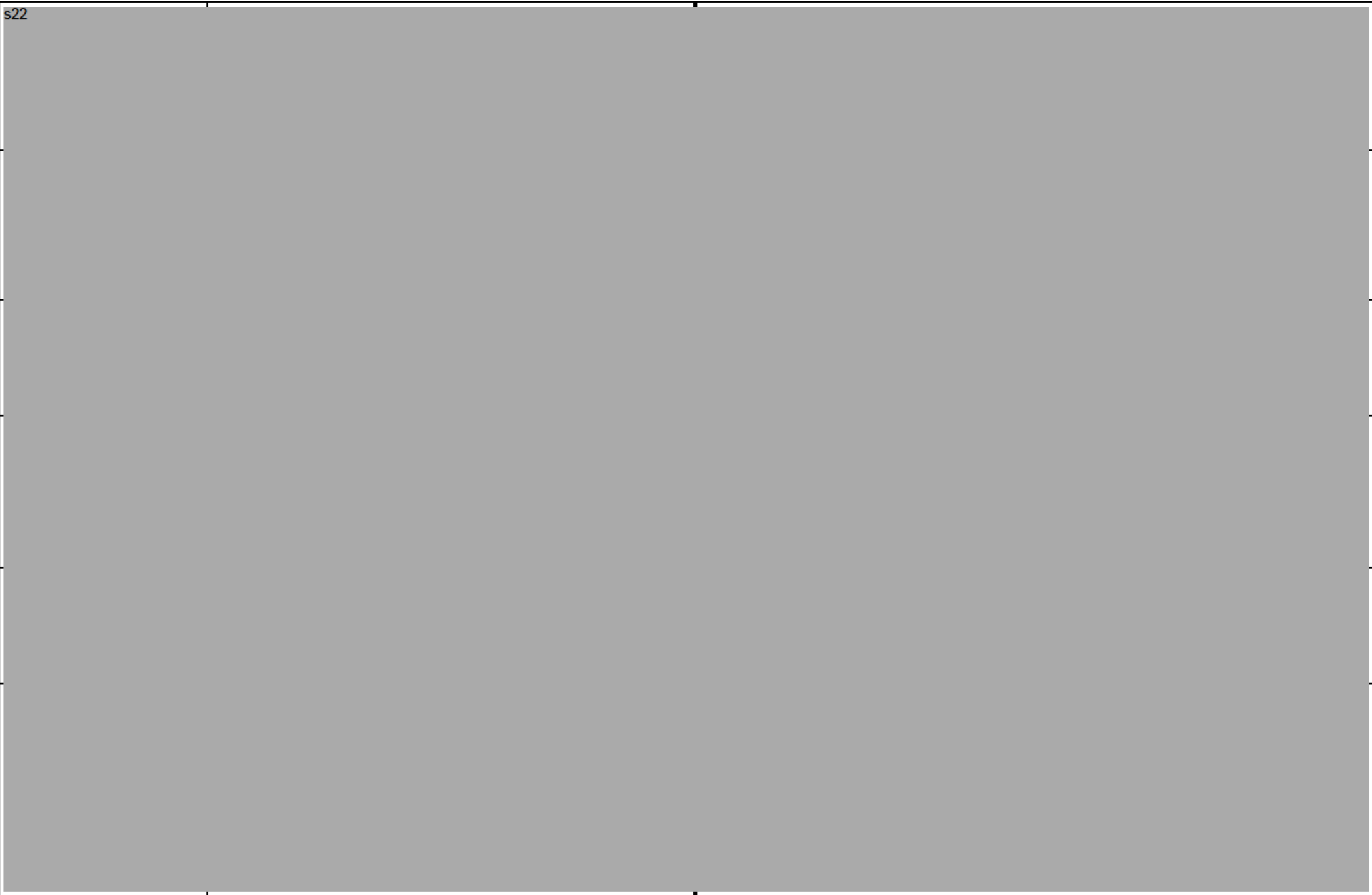
Medibank appreciates the opportunity to comment on the proposed standard definitions and is supportive of this reform given its intent to improve product transparency. Medibank is well-aligned with the Department of Health (the Department) on the majority of the proposed definitions and has made comments on some categories to ensure they're as simple as possible for members to understand – and avoid the need for customer disruption to the extent possible.

Further to the specific comments set out in the table below, please note:

- Medibank reiterates its earlier recommendations – made in its submissions to the Department, dated 22 December 2017 and 28 February 2018 – that the proposed service categories be consumer tested before being finalised to ensure they're as transparent and clear as possible, so consumers can readily understand what's included and excluded under their cover. Medibank notes that the fact sheet for the standard clinical definitions reform includes a commitment to perform such testing during 2017-18, and recommends that the Department assign a high priority to the testing process within its implementation timetable.
- In anticipation of receiving the Department's proposed assignment of MBS codes to the standard definitions, Medibank has commenced work on its own view of the code assignments. Medibank is doing this work to ensure it's in a position to provide comprehensive, soundly-based comments on the Department's proposal when it's released for comment. In the event that Medibank's work is completed *before* the Department releases its proposed assignments, Medibank will be happy to share its version with the Department for consideration as it progresses its work in this space.

Service category	Proposed standard clinical definition	Medibank comments
Rehabilitation	s22	
Psychiatric services		
Palliative care		
Management of ongoing (chronic) pain		
Brain and brain-related conditions and services		

s22



Hearing loss surgery	s22
Removal of tonsils and adenoids	
Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)	
Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately and spine is listed separately under back, neck and spine)	
Joint reconstruction surgery – shoulder and knee	
Joint replacements and spinal fusion	

Digestive system conditions and services (hernia and s22 surgery is listed separately)	s22
Endoscopy	
Hernia and s22 surgery	
Insulin pumps	
Kidney, bladder and male reproductive conditions and services (dialysis is listed separately under dialysis for chronic kidney disease)	
Dialysis for chronic kidney disease	
s22 reproductive conditions and services	

Assisted reproductive services	s22
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies)	
Minor female reproductive conditions and services	
Breast surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	
Chemotherapy and radiotherapy for cancer	
Surgery for skin and skin lesions	
Plastic and reconstructive surgery (non-medically necessary cosmetic surgery is not covered under private health insurance)	

Congenital defects and conditions	s22 [REDACTED]	
Weight loss surgery		
Dental surgery		
Sleep studies		
Podiatric surgery provided by an accredited podiatric surgeon	Admission for investigation and/or treatment of conditions affecting the foot and/or ankle.	Medibank notes that there are currently no MBS item codes for podiatric surgery at present, and therefore that new codes would be required to justify the need for this new standard definition.
s22 [REDACTED] Investigations and anaesthetics	s22 [REDACTED]	
s22 [REDACTED] Blood related services		
s22 [REDACTED] Treatment of diabetes and endocrine-related disorders		

Standard Clinical Definitions

Private health insurers will be required to use the standard clinical definitions to inform customers of treatments and services included in their hospital insurance policies within all product material. All Medicare Benefit Schedule (MBS) items listed under a standard clinical definition must be covered if the treatment category is listed as an inclusion in the insurance policy. *Some MBS items are listed in more than one category. The department understands this is an issue for insurers' current IT systems and will further consult with insurers on this issue.*

¹General note

Where it is not specified, the following procedures are also covered if they are provided to an admitted patient as part of the delivery of an MBS item listed in the same category: consultations, general diagnostic procedures, diagnostic imaging, pathology services, pre-operative assessment, anaesthesia and regional nerve blocks, general surgery items*, attendance at operations, and management of complications related to the principal service.

*General surgery items are services relevant to all surgical procedures, for example MBS item 13815 - *Central vein catheterisation* or MBS item 30058 - *Control of postoperative haemorrhage*.

Feedback summary table

During the development of the standard clinical definitions insurers and other stakeholders provided the Department of Health with feedback on the alignment of procedures in specific categories. A summary of the feedback and the department's response is below for the information of all stakeholders. Feedback relating to specific clinical definitions is included in the standard clinical definitions table.

General issues	Department's response
Insurer's IT systems may be unable to map MBS items to more than one service category. It has been proposed that common procedures such as anaesthetics and diagnostic services should be categorised into stand-alone categories.	The general note above proposes how common surgical procedures should be covered. The creation of new categories for diagnostic and anaesthetic services may be more appropriate for the backend of an insurer's IT system. The department will consult with insurers further on this issue.
Confirmation that all MBS items under a clinical definition must be covered.	All procedures listed under a definition must be covered if the category is listed as an inclusion in the insurance policy.
The inclusion of high-cost treatments in larger general categories could increase premiums for lower rated products e.g. the inclusion of Parkinson's disease in the 'brain and brain-related' category may increase the premium of bronze rated products. Insurers have suggested that high-cost treatments are assigned to stand-alone service categories to minimise premium increases.	Following feedback from industry on the alignment of MBS items, the department will further consider the most appropriate placement of procedures.
How is cancer treated as there is no cancer category	Cancer treatment is categorised according to the biological system. For example removal of tumours in the lung is covered in the lung and lung-related services category which covers lung surgery. The decision to categorise cancer by biological systems is based on clinical advice, to ensure patients are fully covered for procedures that are unforeseen when undergoing surgery.
Ensuring that the clinical definitions are consumer-friendly.	The standard clinical definitions are currently being consumer tested for comprehension and useability. Testing commenced in March 2018 and the department expects to receive a report in late April.

Standard clinical definitions table

Clinical Definition	Description	Feedback summary	Department's response
Rehabilitation	Admission for physical rehabilitation for a patient recovering from surgery or illness. For example: inpatient and admitted day patient rehabilitation. MBS items for rehabilitation consultations are covered in this category, for example MBS item 880. There are no other <i>unique</i> MBS items for this category.	It was unclear if rehabilitation services need to be covered in full (i.e. no restrictions) if services are provided in support of a primary service in a different category e.g. if the patient has full coverage for back surgery and needs subsequent rehabilitation, will the rehabilitation be required to also be covered in full?	The department is considering the issue of restrictions as part of the ongoing development of the standard clinical definitions and products categories.
Psychiatric services	Admission for the treatment and care of patients with psychiatric, mental, addiction or behavioural disorders. For example: mood disorders, eating disorders and addiction therapy. MBS Item Numbers ¹ : 170-172; 289; 297; 320-328; 342-352; 364-370; 855-866; 6018-6024; 6028-6042; 14224	-	-
Palliative care	Admission for care where the intent is primarily providing quality of life for a patient with a terminal illness. MBS Item Numbers ¹ : 14218; 2801-2814; 2946-3000; 3005-3014; 3032-3093; 39100-39106; 39115-39139	It has been suggested that the term 'terminal illness' be replaced with 'end-of-life' to include advanced age conditions.	Further consideration on this issue will be given following the outcomes of the consumer testing.
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. Monitoring of heart conditions is also included in this category. For example overnight blood pressure monitoring. MBS Item Numbers ¹ : 11627; 11700-11727; 32760; 33103; 33145; 34103-34106; 35360-35361; 38200-38276; 38285-38293; 38300-38318; 38350-38393; 38447-38452; 38456; 38460-38766; 39130; 43912; 60800-60801	Previous versions of the clinical definitions included electrocardiography (ECG) in the descriptor for this category. It has been suggested that ECG be moved to a new category for diagnostic procedures.	Reference to ECG has been removed as it is a routine part of many surgical procedures and is covered by the general note that specifies that diagnostic procedures are included in all categories.
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. MBS Item Numbers ¹ : 11600-11615; 13020-13030; 14209; 32500-32526; 32700-33181; 33500-33554; 33800-33848; 34100-34139; 34142-34175; 34500-34524; 34533; 34539; 34800-34833; 35100-35103; 35200-35202; 35300-35331; 35362-35363; 44325-44376; 45560-45561; 46465-46483	It was unclear why hyperbaric oxygen treatment is included in this category.	Some hyperbaric oxygen treatments are applicable for the removal of nitrogen gas build-up in blood vessels. Selected MBS items for hyperbaric oxygen treatment are included in this category while hyperbaric oxygen treatments relevant for other conditions are in the 'skin and skin related' and 'chemotherapy and radiology' categories.

Clinical Definition	Description	Feedback summary	Department's response
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. MBS Item Numbers ¹ : 11503-11512; 30090; 30600-30601; 30696-30710; 35330-35331; 38415-38469; 38800-38812; 43503; 43512; 43900-43915; 44130; 47471; 47920-47930; 48406-48409	-	-
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, damaged nerves and peripheral nerves, and treatment of conditions such as epilepsy and Parkinson's disease. MBS Item Numbers ¹ : 6007-6015; 11000-11027; 11300-11339; 13830; 30336; 35000-35012; 35412; 39000-39018; 39106-39112; 39130; 39134-39139; 39300-39303; 39318-39330; 39333; 39500-40015; 40100-40118; 40342; 40600-40905; 43503; 43512; 43521-43524; 45578-45581; 52800-53600	Stakeholders were uncertain where spinal and brain conditions interface and how syringomyelia-type conditions, cerebral palsy and quadriplegia would be regarded.	Treatment of conditions are categorised according to the procedures required. For example, hydromyelia and treatment of the spine are in the 'back, neck and spine' category. Cerebral palsy procedures relating to the musculoskeletal system are covered in the 'bone and joint conditions' category.
Eye and eye-related conditions and services (cataracts listed separately under cataract procedures)	Admission for investigation and/or treatment of the eye and 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. MBS Item Numbers ¹ : 11200-11244; 12325-12326; 30061; 42503-43023; 45614-45629	i. Previous versions of this category included a reference to 'the eye and surrounding structures'. Feedback was that 'surrounding structures' was too broad a term and picks up conditions such as dermoid cysts. ii. It is preferred that blepharoplasty be removed from this category as it is a plastic surgery procedure.	i. The descriptor has been amended to remove the reference to 'surrounding structures'. ii. The department is seeking wider industry advice on the appropriate categorisation of blepharoplasty. Please refer to the attachment <i>Alignment of specific procedures to standard clinical definitions</i> .
Cataract procedures	Admission for surgery to remove cataract and replace with an artificial lens. MBS Item Numbers ¹ : 42698-42710; 42713-42719; 51315-51318	Some stakeholders preferred that this category be expanded to include major eye surgeries including glaucoma, corneal procedures and sclera transplants.	The department's internal clinical advice is to maintain this category to cover only cataract procedures. Major eye surgery is included in the 'eye and eye-related' category.
Pregnancy and birth related conditions and services (neonates are covered under this category for single parent and family policies, terminations and miscarriages are listed separately)	Admission for investigation and/or treatment of conditions associated with pregnancy, child birth and its complications Female reproductive services are listed as a separate category. Assisted reproductive services are listed as a separate category. Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services. MBS Item Numbers ¹ : 13300-13319; 16399-16627; 35410; 35674-35678; 43801-43882; 55700-55775	-	-

Clinical Definition	Description	Feedback summary	Department's response
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, vaginal prolapse, polycystic ovaries, 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. Miscarriages and termination of pregnancy is listed separately as Miscarriages and termination of pregnancy services. MBS Item Numbers¹: 11900-11921; 14203-14206; 30062; 30384-30400; 35500-35759; 35410; 35500-35673; 35680-35759	It was proposed that the female reproductive category be separated into major female reproductive and minor reproductive services. The separation of gynaecological services would allow young females to purchase more affordable basic cover.	The department's internal clinical advice is to retain this category as a single female reproductive category that covers both major and minor services. The segregation of services may confuse consumers. The department is considering renaming this category 'female gynaecological services' to make it more consumer-friendly.
Miscarriages and termination of pregnancy services	Admission for investigation and/or treatment of miscarriages and termination of pregnancy. For example: evacuation and curettage of the pregnant womb due to a spontaneous miscarriage or termination of pregnancy. MBS Item Numbers¹: 35640; 35643	i. Stakeholders were uncertain if wilful terminations are included in this category. ii. Some stakeholders preferred that the category be broadened to include minor female reproductive conditions including colposcopy, treatment of warts, hysteroscopy etc. iii. Initially, miscarriages and termination of pregnancy was included in the female reproductive services category. Some stakeholders prefer that the two categories be recombined into the one category.	i. Wilful terminations are included in this category but the department notes that state legislation will determine if a patient is able to access services. ii. The department's internal clinical advice is to not broaden this category to include minor gynaecological services. Minor gynaecological services are included in the female reproductive services category. iii. The alignment of services will be considered following the outcomes of the consumer testing and industry feedback.
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. MBS Item Numbers¹: 13200-13292	-	-
Joint replacements and spinal fusion	Admission for surgery for all types of joint replacement, including revisions, resurfacing and partial replacements and removal of prostheses. For example: replacement of joints such as hip, knee, shoulder, ankle, wrist and finger, spinal disc replacement and spinal fusion. Other spinal treatments are listed separately under back, neck and spine. MBS Item Numbers¹: 40211-40330; 40332; 40335; 46312-46325; 47948-47951; 48606-48694; 48915-48924; 49112-49117; 49200-49211; 49315-49346; 49517-49534; 49554; 49715-49717; 49839-49842; 49857; 50127; 50600-50644	It was requested that spinal fusion procedures be removed as a mandatory service in the standard clinical definitions. Alternatively, if spinal fusion procedures are retained in the standard clinical definitions feedback is to classify it in a category of its own.	The department is seeking wider industry advice on the inclusion of spinal fusions in the standard clinical definitions. Please refer to the attachment <i>Alignment of specific procedures to standard clinical definitions</i>. The department notes that it is currently proposed that coverage of "joint replacements and spinal fusion" be a minimum requirement only for Gold level products. Splitting this category into two categories would only have a practical impact if the two categories were in different levels (e.g. Gold and Silver).

Clinical Definition	Description	Feedback summary	Department's response
Joint reconstructions	Admission for the investigation and/or treatment of a joint reconstruction. For example: knee repair (ACL repair), shoulder repair, arthroscopy*. MBS Item Numbers¹: 46345; 46408-46414; 47588-47591; 48945-48957(*); 48960; 49118-49121(*); 49200-49206; 49215; 49218-49227(*); 49360-49366(*); 49536-49542; 49551; 49557-49566; 49700-49703(*); 50100-50102(*); 50312(*); 50333 *arthroscopic services	i. Stakeholders are uncertain if this category exclusively includes shoulder and knee reconstructions or includes all joint reconstructions. The preference is to limit this category to only shoulder and knee reconstructions. ii. Previously, joint reconstructions were included in the bone and joint conditions category. Some stakeholders prefer that the two categories be recombined into the one category as many joint reconstructions complement services in the bone and joint conditions category.	i. All joints are included in this category. ii. The department is seeking further industry advice the classification of joint reconstructions. Please refer to the attachment <i>Alignment of specific procedures to standard clinical definitions</i>. iii. The department is seeking industry advice on the most appropriate classification of arthroscopic services (*). Please refer to the attachment <i>Alignment of specific procedures to standard clinical definitions</i>.
Bone and joint conditions and services (joint replacements are listed as a separate category, joint reconstructions are listed separately 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, fracture surgery, hand surgery. MBS Item Numbers¹: 18350-18379; 30068; 30075-30078; 30099-30103; 30107-30114; 30224-30244; 30672; 39331-39333; 40018; 43500-43524; 44325-44376; 45048; 46300-46309; 46327-46342; 46357-46396; 46417-46534; 47003-47678; 47703; 47708; 47726-47732; 47900-47982; 48118-48242; 48400-48427; 48500-48512; 48900-48912; 48927-48942; 49100-49109; 49212; 49300-49312; 49500-49515; 49545-49548; 49569; 49706-49712; 49718-49878; 50103-50121; 50130-50239; 50300-50309; 50336-50345; 50357-50408; 50426-50476; 50500-50588; 50650-50658; 52056-52087; 52180-52186	-	-
Back, neck and spine conditions and services (spinal fusion is listed separately under Joint replacements and spinal fusion)	Admission for investigation and/or treatment for the back, neck and/or spine. For example: discectomy, spinal cord procedures, laminectomy, treatment of scoliosis and lordosis. MBS Item Numbers¹: 14227-14242; 35000-35012; 39000-39018; 39115-39124; 39130; 39136; 39140; 39306-39315; 40018; 40309-40318; 40331; 40333-40334; 40336-40351; 43509; 43518; 43524; 44133; 47405-47408; 47468; 47681-47732; 47920-47930; 47948-47951; 47982; 48600-48603; 48636; 48642-48645; 48678-48694; 50221-50224; 50544-50548	-	-

Clinical Definition	Description	Feedback summary	Department's response
Ear, nose and throat conditions and services (hearing loss listed separately and tonsils, adenoids and grommets are listed)	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: sinus surgery, removal of foreign bodies, repair of the ear drum, middle ear surgery, throat cancer, thyroid procedures, larynx procedures, mouth and maxillofacial procedures and procedures relating to lymph nodes. Tonsils, adenoids and grommets are listed separately under Tonsils, adenoids and grommet surgery. Stapedectomy is listed under Implanted devices for hearing loss surgery. MBS Item Numbers¹: 11336; 30072-30078; 30104-30105; 30246-30320; 30618; 31400-31438; 41500-41599; 41620-41787; 41804-41910; 43503; 43512; 43900-43903; 44130; 45590-45593; 45632-45646; 45650; 45714-45716; 45788; 45578-45581; 47735-47741; 48816-48910; 52030-52035; 52092; 52108-52131; 52122-52141; 52147-52148	-	-
Implanted devices for hearing loss surgery	Admission for the treatment to correct hearing loss, including implantation of a prosthetic hearing device and stapedectomy. MBS Item Numbers¹: 11300-11339; 41603-41618	i. Feedback was that the title and descriptor did not adequately cover implantable hearing systems. ii. Without knowing the MBS items included in this category, specific procedures were recommended for inclusion: surgical implant of devices (MBS 41617), and fitting of sound processor (MBS 11300; 82300). iii. It was noted that the diagnosis of hearing loss is often a non-admitted procedure e.g. audiology, MRI, CT, therefore the previous descriptor referencing 'admission for investigation' was deemed inappropriate.	i. The department has amended the title to better reflect the services included in this category. ii. All items recommended are included in the category with the exception of MBS item 82300 which is for the fitting of a sound processor for non-admitted patients and thus not included as a mandatory procedure in the standard clinical definitions. iii. The definition has been amended to remove reference to 'admission for investigation'.
Tonsils, adenoids and grommet surgery	Admission for investigation and/or treatment of the tonsils, adenoids and grommets. MBS Item Numbers¹: 41789-41804	There was feedback to remove grommet surgery from this category as it is not suitable for entry level products.	The department is seeking wider industry feedback on classification of grommet surgery. Please refer to the attachment <i>Alignment of specific procedures to standard clinical definitions</i> .
Dialysis for chronic kidney disease	Admission for dialysis treatment for chronic kidney failure. For example: peritoneal dialysis and haemodialysis. Vascular procedures related to haemodialysis are listed separately in vascular and vascular related conditions and services. MBS Item Numbers¹: 13100-13112; 34538	A question was raised regarding vascular surgery for a shunt and if the procedures is included in this category.	The implant of a shunt is in the vascular and vascular-related category. The definition has been amended to clarify this issue. It should be noted that the kidney dialysis category is included in gold products and thus procedures in the vascular and vascular-related category are also covered under gold products.