
From: Street, Celia
Sent: Tuesday, 18 September 2018 9:55 AM
To: s 22
Cc: s 22
Subject: RE: Senate inquiry and new models for MR funding [SEC=UNCLASSIFIED]

Follow Up Flag: Follow up
Flag Status: Flagged

Interesting information.

It may be worth ^{s 47F} raising her capital sensitivity suggestion as part of the DICC consultations on capital sensitivity.

Kind regards

Celia

From: s 22
Sent: Tuesday, 18 September 2018 9:33 AM
To: STREET, Celia <Celia.Street@health.gov.au> s 22
Subject: FW: Senate inquiry and new models for MR funding [SEC=UNCLASSIFIED]
Importance: High

FYI – some interesting information

From: s 47F
Sent: Wednesday, 12 September 2018 1:34 PM
To: s 22
Subject: Senate inquiry and new models for MR funding [SEC=No Protective Marking]
Importance: High

Dear s 22

I hope this email finds you well. I know that there has been quite a lot happening in the corridors of Parliament House recently, but I was hoping to see if I could update you on a number of thoughts regarding MRI licensing and the response to the Senate inquiry. I also note that COAG will be meeting here in Adelaide on the 4th of October. In assuming that Minister Hunt will be attending, I would like to ask that we see if we can arrange a short site visit to our practice so I can show him our system. He was truly impressed when I showed him a video of our system when we met in person in November 2017, and I also note your amazement in seeing it yourself. If you can let me know how best to arrange this, I think it will be a valuable visit for both parties.

On the Senate inquiry - I am yet to see any response from the Government, and therefore assume that its evaluation and how best to respond is still under deliberation. I know that there are many variables being considered to deal with a review of MRI licensing for Medicare Eligibility. I am concerned that there was an option to consider upscaling some partial licence holders. In a review of our full and partial licence holders in SA, it clearly shows that there is indeed a degree of significant ageing in our MRI equipment. I have attached my spreadsheet showing the systems, their licence status as well as an informed view of the age of their MRI's.

Those who have the full licence access also are those that have systems that are almost 10 years old! The capital sensitivity of radiology equipment has long been assessed for Medicare funding. I.e. it is known that older equipment

does not deliver the best results in diagnosis as the newer systems do. And as such, Medicare reduce its funding rebate for imaging provided on systems over 10 years old (other criteria obviously applies as well).

It was a valid thought of mine that perhaps the Government could consider de-licensing older MRI equipment providers which would open up opportunity for those providers who have invested in the latest technology to deliver better diagnostic standards for our patients with the support of Medicare funding. It could be done that MRI systems over 7 years old need to reapply (partial and full) and those over 9 years old have their Medicare eligibility removed. This shouldn't alter the financial footprint - it clearly says that the Government supports the best in technology for the best outcomes of Australian's. Those providers with aged systems will of course argue this, however, it would be a difficult debate. MRI has seen the most significant change in technology in a 10 year time period. Supporting funding for newer and advanced systems is great for our communities. Funding those systems that are old, clunky, and take significant time to deliver a result is not necessarily the best in your budget or for outcomes for our patients. Also, the idea of upgrading those partial licence holders to full licences would also have the same hurdles. It supports providers who have older equipment and not the latest in technology.

I continue to believe that there are ways to review the system of Medicare Eligibility for MRI that the financial impact is of a minimum for the budget. I would like to continue these discussions with you and Minister Hunt whilst your office continues to find ways to address this problem.

If you could let me know a time to discuss this further, I will happily make the time available.

Kindest regards

s 47F

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