



Medicare Benefits Schedule Review Taskforce

Taskforce Report on Paediatric Surgery MBS Items

May 2020



Important note

This Report contains the final recommendations from the MBS Review Taskforce following the consultation of the Paediatric Surgery Advisory Group with stakeholders. Updates made to the Advisory Group recommendations by the Taskforce are outlined in the table below.

This report has now been forwarded to the Government for consideration.

The Taskforce welcomes ongoing feedback on this or any MBS Review report via:
mbsreviews@health.gov.au

Original recommendation	Updated recommendation
<p>Recommendation 5:</p> <p>Increase the fees for items 44108, 44111 and 44114 by 30 per cent.</p>	<p>Recommendation 5:</p> <p>Align the fees for inguinal hernia repair items 44108, 44111 and 44114 to be consistent with the fees for inguinal hernia repair items for children under 10 years of age</p>



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1. Executive summary

The Medicare Benefits Schedule (MBS) Review Taskforce (the Taskforce) is undertaking a programme of work that considers how more than 5,700 items on the MBS can be aligned with contemporary clinical evidence and practice and improve health outcomes for patients. The Taskforce will also seek to identify any services that may be unnecessary, outdated or potentially unsafe.

The Taskforce is committed to providing recommendations to the Minister for Health (the Minister) that will allow the MBS to deliver on each of these four key goals:

- Affordable and universal access.
- Best-practice health services.
- Value for the individual patient.
- Value for the health system.

The Taskforce has endorsed a methodology whereby the necessary clinical review of MBS items is undertaken by clinical committees, working groups and advisory groups.

The Paediatric Surgery Advisory Group (the Advisory Group), a Taskforce clinical committee, was established in 2018 to make recommendations to the Taskforce on MBS items in its area of responsibility, based on rapid evidence review and clinical expertise.

The recommendations from clinical committees are released for stakeholder consultation. The clinical committees consider feedback from stakeholders then provide recommendations to the Taskforce in a review report. The Taskforce considers the review reports from clinical committees and stakeholder feedback before making recommendations to the Minister for consideration by Government.

1.1 Key recommendations

The Advisory Group makes seven recommendations to:

1. Amend item descriptors of current MBS items 37845, 37848 and 37851 for paediatric genitourinary – ambiguous genitalia disorders, to reflect contemporary terminology.
2. To address the shortage of longitudinal research regarding circumcision, the Advisory Group recommends that the Department of Health send written communication to stakeholders recommending that each group survey its members to seek information about their knowledge and experience of circumcision revision procedures. Introduce two new MBS items for circumcision revision procedures.
3. Support the Urology Clinical Committee recommendation to mandate use of analgesia during circumcision of the penis.

Annotation: The MBS Review Taskforce recommend that the fees for inguinal hernia repair items in children less than 12 months of age be made consistent with the fees for inguinal hernia repair items for children under 10 years of age.

4. Align the fees for inguinal hernia items 44108, 44111 and 44114 to be consistent with the fees for inguinal hernia items for children under 10 years of age.
5. Remove the 85 per cent benefit for repair of obstructed or strangulated hernia to ensure this complex procedure is restricted to a hospital setting.
6. Remove the 85 per cent benefit for cloacal exstrophy to ensure this complex procedure is restricted to a hospital setting.

1.2 Consumer impact

All recommendations have been summarised for consumers in Appendix A – Summary for consumers. The summary describes the medical service, the recommendation of the clinical experts and the rationale behind the recommendations. A full consumer impact statement is available in **Section 7**.

The Advisory Group believes it is important to find out from consumers if they will be helped or disadvantaged by the recommendations—and how and why. Following targeted consultation, the Advisory Group will assess the advice from consumers in order to make sure that all the important concerns are addressed. The Taskforce will then provide the recommendations to Government.

Both patients and clinicians are expected to benefit from these recommendations because they aim to improve patient safety and quality of care, and they take steps to modernise and simplify the MBS and make it easier to use and understand.

2. Comprehensive Management Framework for the MBS – Paediatric Review 2014-15

The 2011-12 Budget announced the establishment of the *Comprehensive Management Framework for the MBS* (CMFM). This program introduced targeted reviews of priority areas of the MBS. These reviews were conducted by the Department, in consultation with the relevant sector(s).

The paediatric MBS items were identified as a priority review of paediatric surgical items listed on the MBS. In 2014-15 a Paediatric Services Review Working Group (the Working Group) was formed to conduct the Paediatric Review. The Working Group was chaired by the Department and included representatives from:

- Australian and New Zealand Association of Paediatric Surgeons (ANZAPS)
- Urological Society of Australia and New Zealand (USANZ)
- Australian Medical Association (AMA)

The Consumer Health Forum of Australia was involved as a key stakeholder, there were public consultations on draft documents, with comments incorporated where appropriate, and draft documents were published on the MSAC website 4 weeks prior to finalising reports and providing recommendations to Government.

The Paediatric Review was conducted in three stages:

1. A review of existing paediatric surgery items to ensure they reflected contemporary clinical practice.
2. A review of MBS male circumcision services.
3. Consideration of proposals from the sector for additional MBS items where an existing item did not fully describe the service.

The 2014-15 Review was finalised in August 2015.

A summary of the 2014-15 Review outcomes is at **Appendix C**.

3. Use of generic item numbers

During this Review the Advisory Group noted that the MBS lacked item numbers for a range of highly specialised paediatric surgical services. At present, where these services are provided under the MBS, they are claimed under more generic MBS items. These are services for conditions that are infrequently managed in a private sector setting.

This issue was also discussed with the profession during the 2014–15 CMFM review.

The Department has provided the following advice to the Advisory Group:

The Health Insurance Act 1973 stipulates that Medicare benefits are payable for clinically relevant professional services which are listed on the MBS. A medical service is clinically relevant if it is generally accepted by the medical profession as necessary for the appropriate treatment of the patient. The risk of non-compliance is low if selecting MBS services based on this fundamental concept of clinical relevance.

*Therefore, when a surgeon performs a procedure for which there is no specific MBS item, the clinician is able to claim the most appropriate MBS item that best describes the performed service. Each claim of this nature should be supported by clear, defensible clinical notes (**Appendix C, Attachment 1**).*

This advice applies to all parts of the MBS and is not unique to paediatric surgery items.

4. About the Medicare Benefits Schedule (MBS) Taskforce Review

4.1 What is Medicare?

Medicare is Australia's universal health scheme. It enables all Australian residents (and some overseas visitors) to have access to a wide range of health services and medicines at little or no cost.

Introduced in 1984, Medicare has three components:

- Free public hospital services for public patients.
- Subsidised drugs covered by the Pharmaceutical Benefits Scheme (PBS).
- Subsidised health professional services listed on the MBS.

4.2 What is the MBS?

The MBS is a listing of the health professional services subsidised by the Australian Government. There are more than 5,700 MBS items, which provide benefits to patients for a comprehensive range of services, including consultations, diagnostic tests and operations.

4.3 What is the MBS Review Taskforce?

The Government established the Taskforce as an advisory body to review over 5,700 MBS items to ensure they are aligned with contemporary clinical evidence and practice and improve health outcomes for patients. The Taskforce will also modernise the MBS by identifying any services that may be unnecessary, outdated or potentially unsafe. The MBS Review is clinician-led, and there are no targets for savings attached to the review.

4.4 What are the goals of the Taskforce?

The Taskforce is committed to providing recommendations to the Minister that will allow the MBS to deliver on each of these four key goals:

- Affordable and universal access—the evidence demonstrates that the MBS supports very good access to primary care services for most Australians, particularly in urban Australia. However, despite increases in the specialist workforce over the last decade, access to many specialist services remains problematic, with some rural patients being particularly under-served.
- Best practice health services—one of the core objectives of the MBS Review is to modernise the MBS, ensuring that individual items and their descriptors are consistent with contemporary best practice and the evidence base when possible.

Although the Medical Services Advisory Committee (MSAC) plays a crucial role in thoroughly evaluating new services, the vast majority of existing MBS items pre-date this process and have never been reviewed.

- Value for the individual patient—another core objective of the MBS Review is to support the delivery of services that are appropriate to the patient’s needs, provide real clinical value and do not expose the patient to unnecessary risk or expense.
- Value for the health system—achieving the above elements of the vision will go a long way to achieving improved value for the health system overall. Reducing the volume of services that provide little or no clinical benefit will enable resources to be redirected to new and existing services that have proven benefit and are underused, particularly for patients who cannot readily access those services currently.

4.5 The Taskforce’s approach

The Taskforce is reviewing existing MBS items, with a primary focus on ensuring that individual items and usage meet the definition of best practice. Within the Taskforce’s brief, there is considerable scope to review and provide advice on all aspects that would contribute to a modern, transparent and responsive system. This includes not only making recommendations about adding new items or services to the MBS, but also about an MBS structure that could better accommodate changing health service models.

The Taskforce has made a conscious decision to be ambitious in its approach, and to seize this unique opportunity to recommend changes to modernise the MBS at all levels, from the clinical detail of individual items, to administrative rules and mechanisms, to structural, whole-of-MBS issues. The Taskforce will also develop a mechanism for an ongoing review of the MBS once the current review has concluded.

As the MBS Review is clinician-led, the Taskforce decided that clinical committees should conduct the detailed review of MBS items. The committees are broad-based in their membership, and members have been appointed in an individual capacity, rather than as representatives of any organisation.

The Taskforce asked the committees to review MBS items using a framework based on Professor Adam Elshaug’s appropriate use criteria¹. The framework consists of seven steps:

1. Develop an initial fact base for all items under consideration, drawing on the relevant data and literature.

¹ *Appropriate Use Criteria*. **Elshaug, Adam**. 2016, The Medical Journal of Australia, pp. 556-560

2. Identify items that are obsolete, are of questionable clinical value,² are misused³ and/or pose a risk to patient safety. This step includes prioritising items as “priority 1”, “priority 2” or “priority 3”, using a prioritisation methodology (described in more detail below).
3. Identify any issues, develop hypotheses for recommendations and create a work plan (including establishing working groups, when required) to arrive at recommendations for each item.
4. Gather further data, clinical guidelines and relevant literature in order to make provisional recommendations and draft accompanying rationales, as per the work plan. This process begins with priority 1 items, continues with priority 2 items and concludes with priority 3 items. This step also involves consultation with relevant stakeholders within the committee, working groups, and relevant colleagues or Colleges. For complex cases, full appropriate use criteria were developed for the item’s explanatory notes.
5. Review the provisional recommendations and the accompanying rationales, and gather further evidence as required.
6. Finalise the recommendations in preparation for broader stakeholder consultation.
7. Incorporate Feedback gathered during stakeholder consultation and finalise the review report, which provides recommendations for the Taskforce.

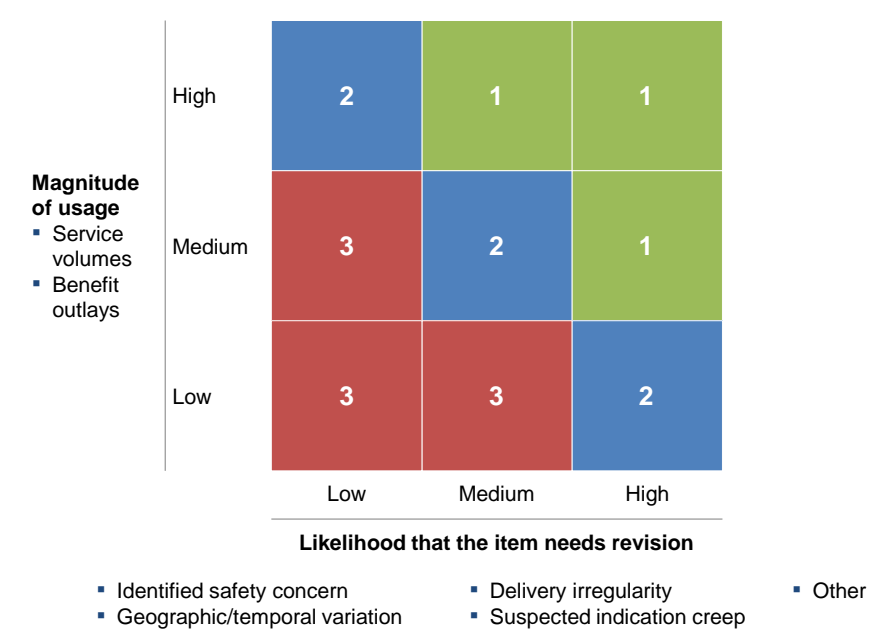
All MBS items will be reviewed during the course of the MBS Review. However, given the breadth of the review and its timeframe, each clinical committee has to develop a work plan and assign priorities, keeping in mind the objectives of the review. Committees use a robust prioritisation methodology to focus their attention and resources on the most important items requiring review. This was determined based on a combination of two standard metrics, derived from the appropriate use criteria:

- Service volume.
- The likelihood that the item needed to be revised, determined by indicators such as identified safety concerns, geographic or temporal variation, delivery irregularity, the potential misuse of indications or other concerns raised by the clinical committee (such as inappropriate co-claiming).

²The use of an intervention that evidence suggests confers no or very little benefit on patients; or where the risk of harm exceeds the likely benefit; or, more broadly, where the added costs of the intervention do not provide proportional added benefits.

³ The use of MBS services for purposes other than those intended. This includes a range of behaviours, from failing to adhere to particular item descriptors or rules through to deliberate fraud.

Figure 1: Prioritisation matrix



For each item, these two metrics were ranked high, medium or low. These rankings were then combined to generate a priority ranking ranging from one to three (where priority 1 items are the highest priority and priority 3 items are the lowest priority for review), using a prioritisation matrix (**Figure 1**). Clinical committees use this priority ranking to organise their review of item numbers and apportion the amount of time spent on each item.

5. About the Paediatric Surgery Advisory Group

A modified approach was adopted by the MBS Review Taskforce for this review of paediatric surgery items, to take into consideration the major review of paediatric surgery, completed in 2014-15 that resulted in significant amendments to the MBS (**Appendix C**).

The Taskforce agreed that the MBS items which were reviewed during the 2014-15 Review would be out of scope for this review, and therefore a small Advisory Group was established to review the remaining items.

The Paediatric Surgery Advisory Group (the Advisory Group) was established in June 2018 comprising two members whose names, positions, relevant organisational membership are listed in Paragraph 5.1, Table 1 (below).

5.1 Paediatric Surgery Advisory Group membership

Table 1: Paediatric Surgery Advisory Group members

Name	Position/organisation	Declared conflict of interest
Professor Deborah Bailey	Past President, Australian and New Zealand Association of Paediatric Surgeons. Past Chair, Board of Paediatric Surgery RACS Member, ANZ Burns Association Chair, Children's Surgery Section Clinical Services Capability Framework QLD HEALTH Paediatric Surgeon, public and private practice Past Member, 2014-15 Paediatric Services Review Working Group (conducted as part of the <i>Comprehensive Management Framework for the MBS</i>)	Nil
Professor Andrew Holland	Professor in Paediatric Surgery, University of Sydney Paediatric Surgeon, Westmead Children's Hospital Paediatric Surgeon, Private Practice	Nil

5.2 Consumer Panel Review

The Advisory Group's draft recommendations were then reviewed by a small group of members from the MBS Review Taskforce's Consumer Panel. Consumer Panel members

provided feedback, largely relating to the need for more explanation of the complex medical services described throughout the Advisory Group's draft report.

Consumer Panel members noted that this was particularly important because of the patient group and the potential vulnerability of parents in the initial few years of a child's life.

Therefore, a Glossary of medical terms has been included at **Section 9** to assist consumers when reviewing this report.

5.3 Conflicts of interest

All members of the Advisory Group were asked to declare any conflicts of interest at the start of their involvement and were reminded to update their declarations periodically. A complete list of declared conflicts of interest can be viewed in Table 1.

It is noted that the majority of the participants in the MBS Review share a common conflict of interest, in reviewing items that are a source of revenue for them (i.e. committee members claim the MBS items under review).

This conflict is inherent in a clinician-led process and, having been acknowledged by the Advisory Group and the Taskforce, it was agreed that this should not prevent a clinician from participating in the review.

5.4 Areas of responsibility of the Advisory Group

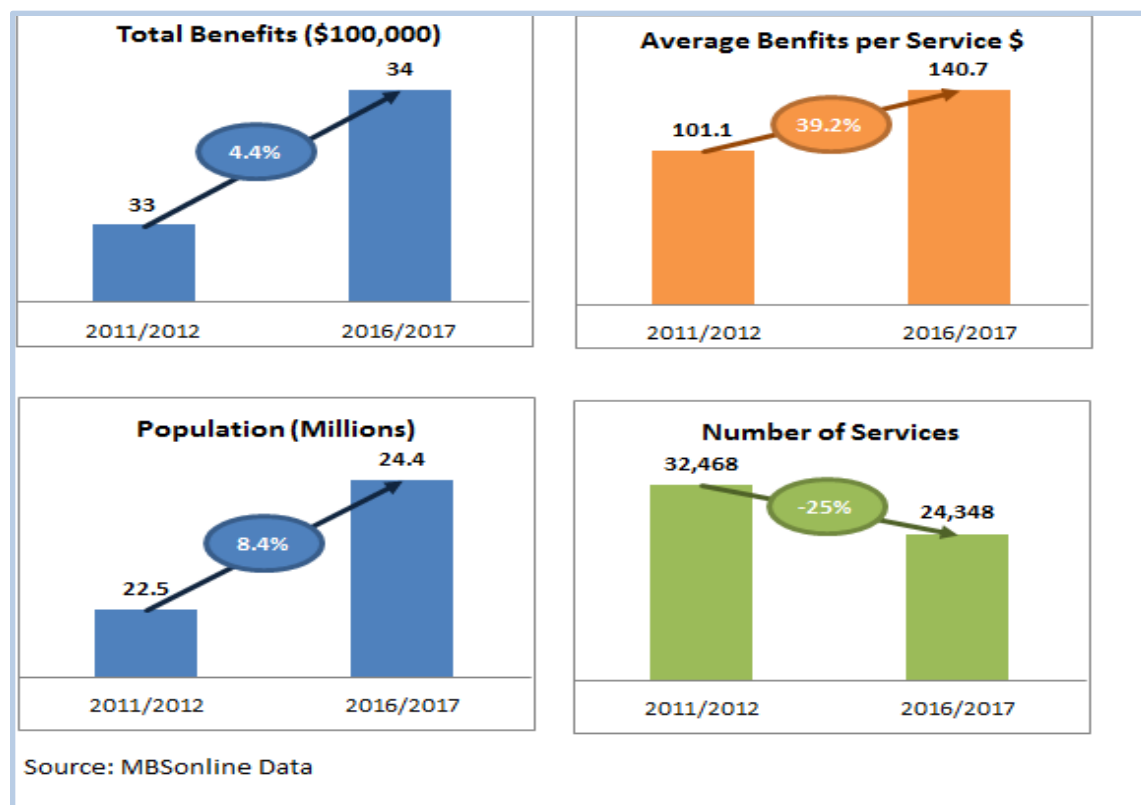
The Advisory Group reviewed 90 MBS items. A full list of the items reviewed can be found at **Appendices A and B**.

While the majority of the items considered by the Advisory Group cover surgical procedures, this Review also included a small number of miscellaneous therapeutic and two botulism toxin injections items.

In the 2016-17 financial year, these items accounted for approximately 24,000 services and \$3.4 million in benefits.

Over the past five years, MBS data indicates that overall service volume has decreased by 4.9 per cent per year, the cost of benefits has increased by 1.3 per cent per year.

Figure 2: Drivers of paediatric surgery utilisation growth 2011/12 to 2016/17 (%)



However, this is a result of the complex interactions of the changes arising from the 2014-15 Paediatric Review. The outcomes of the 2014-15 Review included:

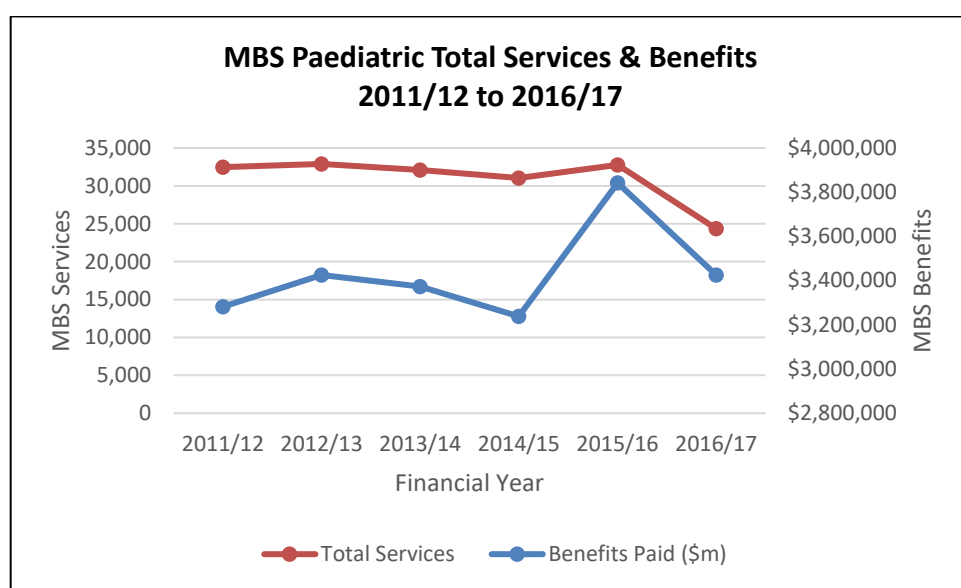
- The creation of new items for patients under 10 years old that reflected existing items from other areas of the MBS. These existing items were largely used to treat paediatric patients.
- At the same time the existing items, largely in the General Surgery section, were amended so that they could only be used for patients over 10 years of age.

- The consolidation of items including those items with differential fees for GP and Specialist items. These items retained the higher fee.
- Fee increases for certain items demonstrated to be more complex and time consuming than the comparable adult item.
- Removal of 85 per cent benefits for a number of items for complex surgeries that could only be performed safely in hospital.
- Deletion of obsolete items that were no longer in use and/or did not reflect contemporary clinical practice.

This re-structure of MBS paediatric surgical services significantly altered service patterns. The result of these changes is that average benefits have increased but the number of services have decreased. The increase in benefits is an outcome of the interaction between the division of the existing items into under 10 and over 10 years of age and the 30 per cent fee increase for some items. At the same time, items were consolidated, restricted to in hospital services only and certain obsolete items were deleted. This resulted in an overall decrease in the number of services.

This aligns with **Figure 3** which shows that service utilisation was largely consistent until the implementation of the 2014-15 Review recommendations.

Figure 3: Drivers of paediatric surgery utilisation growth – Services and Benefits 2011/12 to 2016/17



A full analysis of the impact of these changes will not be possible until more MBS data is available.

5.5 Summary of the Advisory Group's approach

The Advisory Group completed a review of its items during three meetings (two teleconferences and one face-to-face meeting). It developed the recommendations and rationales contained in this report during these meetings.

The Advisory Group drew on a range of MBS data, including data on utilisation of items (services, benefits, patients, clinicians and growth rates); service provision (type of clinician, geography of service provision); patients (demographics and services per patient); co-claiming or episodes of services (same-day claiming and claiming with specific items over time); and additional clinician and patient-level data, when required.

The review also drew on data presented in the relevant literature and clinical guidelines, all of which are referenced in the report. Guidelines and literature were identified through medical journals and other sources, such as professional societies.

5.6 Other clinical committees

The Advisory Group noted recommendations from the following Clinical Committees:

- Plastic and Reconstructive Surgery Clinical Committee in relation to burns items.
- Urology Clinical Committee in relation to a range of paediatric urology items.
- Thoracic Clinical Committee in relation to pectus excavatum (where the breastbone is sunken into the chest).

6. Recommendations

6.1 Paediatric genitourinary – ambiguous genitalia

Table 2: Existing descriptors for items 37845, 37848, 37851

Item ⁴	Descriptor	Schedule Fee	Services FY2016/17	Benefits FY2016/17	Services 5-year annual avg. growth
37845	Ambiguous genitalia with urogenital sinus, reduction clitoroplasty, with or without endoscopy (Anaes.) (Assist.)	\$695.00	3	\$1,564	-2%
37848	Ambiguous genitalia with urogenital sinus, reduction clitoroplasty, with endoscopy and vaginoplasty (Anaes.) (Assist.)	\$1,251.05	4	\$3,689	8.8%
37851	Congenital adrenal hyperplasia, mixed gonadal dysgenesis or similar condition, vaginoplasty for, with or without endoscopy (Anaes.) (Assist.)	\$926.80	9	\$6,643	17.6%

6.1.1 Recommendation 1

Update the terminology in the descriptors of item numbers 37845, 37848 and 37851 to reflect contemporary terminology.

The proposed descriptors are:

- Item 37845 - **Congenital disorder of sexual differentiation** with urogenital sinus, **external genitoplasty** with or without endoscopy (Anaes.) (Assist.)
- Item 37848 - **Congenital disorder of sexual differentiation** with urogenital sinus, **external genitoplasty** with endoscopy and vaginoplasty (Anaes.) (Assist.)
- Item 37851 - **Congenital disorder of sexual differentiation**, vaginoplasty for, with or without endoscopy (Anaes.) (Assist.)

6.1.2 Rationale for recommendation 1

This recommendation focuses on ensuring that the MBS aligns with contemporary clinical practice.

⁴ Items 37845, 37848, 37851: Item and descriptor start date 1 November 1994; Fee start date 1 November 2012

The Advisory Group made the following observations in relation to items 37845, 37848 and 37851:

- The MBS item descriptor has not been updated since the items were introduced in November 1994.
- The language used does not reflect contemporary community attitudes.
- Until 2006, the term ‘ambiguous genitalia’ was generally used to describe anatomical defects that make it difficult to identify a child’s gender at birth and/or may interfere with normal sexual and reproductive function as an adult.
- This language was considered to label the person and to be negative and disparaging.
- The medical and representative organisations were concerned that the language might be influencing non-evidence based treatment for patients. In particular limiting operative choices to outmoded, historical or unsupported procedures.
- Following a review, a consensus statement, supported by the medical profession and community organisations, was released (2006), which updated the terminology to reflect changes in community attitudes.
- ‘Congenital disorder of sexual differentiation’ (DSD) was adopted to reflect a medical diagnosis associated with genetic, metabolic and/or anatomical changes that may affect the development of the foetus.
- DSD labels the condition not the person.
- The focus on the medical diagnosis is intended to promote a more evidence-based approach to medical / surgical decisions associated with DSD⁵.
- Patients with DSD remain free to choose their social identity.
- Importantly, the change in terminology does not reflect a change in the services provided under these MBS items.
- It is also important to note that these services are largely provided in public hospitals and have extremely low MBS utilisation.

⁵ http://www.isna.org/files/DSD_Symposium_Proceedings.pdf

6.2 Circumcision and circumcision revision

- A circumcision is where the foreskin that protects the head of the penis is removed.
- Circumcision procedures are performed for a number of reasons such as:
 - To treat a pathological disease such as:
 - Phimosis – where the foreskin is too narrow to pull back.
 - Paraphimosis - the foreskin doesn't return to its original position after it has been pulled back.
 - Recurrent balanitis - an infection of the head of the penis.
- Procedures to treat disease are performed by medical practitioners within the mainstream health system.
- However, circumcisions for religious-cultural reasons may be performed by others.
- In 2017/18, there were approx. 22,000 circumcision services provided under items 38654 and 38658.
 - 72 per cent of services were provided to patients aged 0-4 years.
 - 74 per cent of all services were provided out of hospital.
 - GPs (incl. VR, non-VR and trainee GPs) provided the majority of item 30654 services (59.5 per cent).
 - Specialists provided the majority of item 30658 services (64.4 per cent).
- The number of circumcisions performed in public hospitals and outside the mainstream health system is not known.

Table 3: Existing descriptors for items 30654 and 30658⁶

Item	Descriptor	Schedule Fee	Services FY2017/18	Benefits FY2017/18	Services 5-year annual avg. growth
30654	Circumcision of the penis (other than a service to which item 30658 applies)	\$46.50	10,672	\$1.1m	NA
30658	Circumcision of the penis, when performed in conjunction with a service to which an item in Group T7 or Group T10 applies (Anaes.)	\$142.00	11,016	\$1.5m	NA

- A circumcision revision is undertaken to correct complications arising from a primary circumcision surgery.
- The current MBS does not include an item number for circumcision revision procedures.

⁶ Items 30654 and 30658: Item, descriptor and Fee start dates 1 November 2016, therefore 2017/18 data is provided.

- There is currently no reliable data to ascertain the number of circumcision revisions required. In 2010, The Royal Australasian College of Physicians estimated a 'median complication rate of 1.5 per cent with a range of 0-16 per cent'⁷.

6.2.1 Recommendation 2

To address the shortage of longitudinal research regarding circumcision, the Advisory Group recommends that the Department of Health send written communication to stakeholders recommending that each group survey its members to seek information about their knowledge and experience of circumcision revision procedures.

- The Advisory Group suggests the following participate in this survey:
 - Australian and New Zealand Association of Paediatric Surgeons (ANZAPS)
 - Australian Medical Association (AMA)
 - Royal Australasian College of Physicians (RACP)
 - Royal Australasian College of Surgeons (RACS)
 - Royal Australian College of General Practitioners (RACGP)
 - Rural Doctors Association of Australia (RDAA)
 - Sydney Children's Hospital Network (SCHN)
 - Urological Society of Australia and New Zealand (USANZ)

Work with the sector to provide more information in relation to circumcision and circumcision revision procedures.

6.2.2 Rationale for recommendation 2

The rationale for this recommendation is based on the following observations:

- The Advisory Group discussed the need to better identify the incidence and other data associated with circumcision and circumcision revision surgery (such as provider type) being performed in Australia.
- It was agreed more information about the extent of this was needed.
- There is a need to improve the visibility and understanding of circumcision and circumcision revision in Australia, this includes the number of procedures.
- Survey results will provide an evidence-base to better understand the drivers of circumcision revision, known to include bleeding, infection, removal of too much or too little skin and, rarely, partial or full loss of glans or penis.
- The Advisory Group noted that, although anecdotal, a survey of medical professionals who perform circumcision and revision procedures, conducted by the sector, could be useful in identifying the MBS items currently being used by

⁷ The RACP Statement on Circumcision, September 2010. p8. (<https://www.racp.edu.au/docs/default-source/advocacy-library/circumcision-of-infant-males.pdf>)

paediatric surgeons to claim for circumcision revision and will inform a viable longer term response.

- This, in turn, would also provide a good base to determine the extent to which the sector requires further information and how to provide it.

6.2.3 Recommendation 3

Introduce two new MBS item numbers to be used for circumcision revision procedures, one item for a simple surgical repair and one item for more complex repairs, particularly where they involve a flap.

Amend appropriate item descriptors for current items that are used for circumcision revision to restrict their use for that procedure.

6.2.4 Rationale for recommendation 3

- Currently, as the MBS does not include a specific item number for circumcision revision, clinicians must use generic item numbers or make a claim using items from non-paediatric sections of the MBS.
- During the 2014-15 Review it was suggested that an MBS item covering circumcision revision be created to provide an ability to track the incidence of circumcision revision surgery.
- At that time, the Department of Health provided the advice in Attachment 1 to the sector, outlining that the creation of an MBS item for circumcision revision would not provide data on the incidence of circumcision revision.
- Clinicians currently use MBS items from other sections of the MBS to claim for simple and more complex circumcision revisions, e.g. 30658 used for minor circumcision revisions and 45206 used for more significant revisions.
- As paediatric surgeons, and possibly other craft groups, are using MBS items in the Plastic and Reconstructive Surgery and Urology sections of the MBS to claim for circumcision revision, the Advisory Group recommends that these sectors are included in the development of item descriptors for the two new MBS items.
- The Advisory Group also recommends that concurrent to the introduction of the new circumcision revision items, restrictions are placed on the use of appropriate item numbers currently being used to claim for this procedure. This may involve amendments to descriptors to restrict the use of the item for circumcision revision procedures. The Advisory Group recommends that the Plastic and Reconstructive Surgery and Urology sectors are included in determining the appropriate items to restrict.
- It is expected that the survey outlined in recommendation 2 will assist in identifying all MBS items currently being used for the purposes of circumcision revision.
- The creation of new item numbers for circumcision revision is necessary to achieve the MBS Review Taskforce's objective to modernise the MBS and ensure that

individual items and their descriptors are consistent with contemporary best practice.

- The creation of two new MBS item numbers for circumcision revision will reduce current misuse of existing MBS items, improve transparency for patients and will provide some evidence of incidence in private sector settings.

6.3 Urology

6.3.1 Recommendation 4

The Advisory Group supports recommendation 5.5.2 of the Urology Clinical Committee (UCC) that the descriptor for item 30654 be amended to mandate the use of analgesia for this procedure as follows:

*Circumcision of the penis (other than a service to which item 30658 applies),
with topical or local analgesia*

6.3.2 Rationale for recommendation 4

- The UCC observed that this recommendation focuses on improving patient experience and ensuring that the MBS aligns with professional standards. It is based on the following.
 - The item descriptor has been amended to mandate the use of analgesia, which ensures patient wellbeing.
 - Circumcisions performed under anaesthesia are claimed under item 30658.
 - The Committee noted that item 30654 should continue to include circumcisions conducted for religious and cultural reasons, reflecting both current practice and the need to ensure safe circumcisions.

The Advisory Group supports this recommendation noting that, at present, item 30654 allows circumcision to be performed without pain relief. The Advisory Group observed that this recommendation aligns the MBS with The RACP which stated:

'Infant circumcision without analgesia is unacceptable practice in Australia and New Zealand ...that newborns may experience a greater sensitivity to pain compared with older age groups, such pain may have long-term consequences, and a lack of behavioural response (for example lack of crying) does not necessarily indicate absence of pain⁸.'

⁸ RACP Statement on Circumcision p.9

6.4 Inguinal hernia repair

Table 4: Existing descriptors for inguinal hernia repair items 44108, 44111, 44114

Item ⁹	Descriptor	Schedule Fee (\$)	Services FY2017/18	Benefits FY2017/18 (\$)	Services 5-year annual avg. growth %
44108	Inguinal hernia repair at age less than 12 months (Anaes.) (Assist.)	\$491.45	302	\$87,001	-7.7%
44111	Obstructed or strangulated inguinal hernia, repair, at age, less than 12 months including orchidopexy when performed (Anaes.) (Assist.)	\$575.65	16	\$6,291	-13.5%
44114	Inguinal hernia repair at age less than 12 months when orchidopexy also required (Anaes.) (Assist.)	\$575.65	6	\$1,943	-3.0%

Annotation: The MBS Review Taskforce recommend that the fees for inguinal hernia repair items in children less than 12 months of age be made consistent with the fees for inguinal hernia repair items for children under 10 years of age.

6.4.1 Recommendation 5

Align the fees for inguinal hernia items 44108, 44111 and 44114 to be consistent with the fees for inguinal hernia items for children under 10 years of age

Table 5: Proposed Inguinal Hernia Surgery Item Fees for Children Less than 12 Months

Item ¹⁰	Descriptor	Proposed Schedule Fee (\$) ¹¹
44108	Inguinal hernia repair at age less than 12 months (Anaes.) (Assist.)	\$613.50
44111	Obstructed or strangulated inguinal hernia, repair, at age, less than 12 months including orchidopexy when performed (Anaes.) (Assist.)	\$688.50
44114	Inguinal hernia repair at age less than 12 months when orchidopexy also required (Anaes.) (Assist.)	\$688.50

⁹ Items 44108, 44111, 44114 start date 1 November 1994; descriptor start date 1 September 2015; Fee start date 1 November 2012.

¹⁰ Items 44108, 44111, 44114 start date 1 November 1994; descriptor start date 1 September 2015; Fee start date 1 November 2012.

¹¹ To align with MBS items 43841 (\$613.50), 43835 (\$688.50) and 37804 (\$688.50)

6.4.2 Rationale for recommendation 5

The rationale for this recommendation is based on the following observations:

- Items 44108, 44111 and 44114 provide for inguinal hernia procedures to be provided to patients less than 12 months of age.
- Inguinal hernia repair in patients less than 12 months of age is more complex than for older patients:
 - The surgery takes longer - approximately 60-90 minutes compared to 30-45 minutes¹² for adults.
 - The baby is physically smaller – often premature with a birth weight under 3kg and anaemic.
- Many patients under 12 months have significant co-morbidities and a complicated medical history which may increase the risk of post-operative respiratory complications and often require additional postoperative care.
- The International Paediatric Endosurgery Group (IPEG) Guidelines for Inguinal Hernia and Hydrocele identify a number of risks associated with inguinal hernia surgery in patients including infection, injury to the vas and testicular vessels, injury to the genitofemoral nerve causing chronic pain and injury to other intra-abdominal structures¹³.
- IPEG recommends an ‘overnight hospital stay for patients of 44-50 weeks in conceptual age.’
- The Advisory Group also observed the outcomes of the 2014 Review where a 30 per cent fee increase was applied to certain paediatric items where it could be demonstrated that the service was more complex and time consuming in comparison to similar adult surgery services.

6.4.3 Recommendation 6

Remove the 85 per cent benefit for item 44111 to ensure that obstructed or strangulated inguinal hernia repair can only receive an MBS rebate when performed in a hospital setting.

6.4.4 Rationale for recommendation 6

The rationale for this recommendation is based on the following observations:

- This is complex surgery and should only be performed in a hospital setting where the relevant standards for quality control and other accreditation requirements are met.

¹² <https://www.nhs.uk/conditions/inguinal-hernia-repair/what-happens/>

¹³ IPEG Guidelines for Inguinal Hernia and Hydrocele, 4 Nov 2009. (<https://www.ipeg.org/hernia/>) p.3

- This will benefit patients by ensuring they receive treatment in a safe healthcare environment.
- This requirement aligns with similar items such as 44108 and 44114 for inguinal hernia repair.

6.5 Cloacal exstrophy

Table 6: Existing descriptors for items 43882 and 44111

Item ¹⁴	Descriptor	Schedule Fee (\$)	Services FY2016/17	Benefits FY2016/17 (\$)	Services 5-year annual avg. growth %
43882	Cloacal exstrophy, operation for (Anaes.) (Assist.)	\$1,668.05	-	-	-

6.5.1 Recommendation 7

Remove the 85 per cent benefit for item 43882 to ensure that procedures to address cloacal exstrophy can only receive an MBS rebate when performed in a hospital setting.

6.5.2 Rationale for recommendation 7

The rationale for this recommendation is based on the following observations:

- Cloacal exstrophy is a rare and severe birth defect where some or all of the abdomen is exposed.
- This is a complex surgery which cannot be performed out of hospital.
- The procedure should only be performed in a hospital setting where the relevant standards for quality control and other accreditation requirements are met.
- This will benefit patients by ensuring they receive treatment in a safe healthcare environment.

¹⁴ Items 44108, 44111, 44114 start date 1 November 1994; descriptor start date 1 September 2015; Fee start date 1 November 2012.

7. Impact statement

Both patients and clinicians are expected to benefit from these recommendations because they address concerns regarding patient safety and quality of care, and they take steps to simplify and update the MBS and make it easier to use and understand.

Recommendations were made to encourage best practice, in line with the overarching purpose of the MBS Review.

The Advisory Group's recommendation to modernise the terminology used in item descriptors reflects a change in community attitudes and supports a contemporary, evidence-based approach to clinical practice.

Recommendations to conduct initial work to scope the extent of circumcision revisions will provide a foundation for further work to support patient safety and quality of care and to improve professional standards.

When making the recommendation to increase the fees for a small group of services for patients under 12 months the Advisory Group and the Consumer Panel took into consideration the impact on out of pocket costs but agreed that the increase was justified as the cohort require more complex care in comparison to similar adult services.

The recommendation for introduction of new MBS items ensures that the MBS reflects current contemporary practice and provides patients with transparency over the procedure performed.

Recommendations to ensure that highly complex existing procedures can only be performed in hospital ensure patient safety and quality of care and will benefit clinicians by supporting their ability to offer the best care for their most challenging patients.

8. Glossary

Term	Description
CAGR	Compound annual growth rate or the average annual growth rate over a specified time period.
Change	When referring to an item, "change" describes when the item and/or its services will be affected by the recommendations. This could result from a range of recommendations, such as: (i) specific recommendations that affect the services provided by changing item descriptors or explanatory notes; (ii) the consolidation of item numbers; and (iii) splitting item numbers (for example, splitting the current services provided across two or more items).
Delete	Describes when an item is recommended for removal from the MBS and its services will no longer be provided under the MBS.
Department, The	Australian Government Department of Health
FY	Financial year
High-value care	Services of proven efficacy reflecting current best medical practice, or for which the potential benefit to consumers exceeds the risk and costs.
Inappropriate use / misuse	The use of MBS services for purposes other than those intended. This includes a range of behaviours, from failing to adhere to particular item descriptors or rules through to deliberate fraud.
Low-value care	Services that evidence suggests confer no or very little benefit to consumers; or for which the risk of harm exceeds the likely benefit; or, more broadly, where the added costs of services do not provide proportional added benefits.
MBS	Medicare Benefits Schedule
MBS item	An administrative object listed in the MBS and used for the purposes of claiming and paying Medicare benefits, consisting of an item number, service descriptor and supporting information, schedule Fee and Medicare benefits.
MBS service	The actual medical consultation, procedure or test to which the relevant MBS item refers.
Misuse (of MBS item)	The use of MBS services for purposes other than those intended. This includes a range of behaviours, from failing to adhere to particular item descriptors or rules through to deliberate fraud.
MSAC	Medical Services Advisory Committee
New service	Describes when a new service has been recommended, with a new item number. In most circumstances, new services will need to go through the MSAC. It is worth noting that implementation of the recommendation may result in more or fewer item numbers than specifically stated.
No change or leave unchanged	Describes when the services provided under these items will not be changed or affected by the recommendations. This does not rule out small changes in item descriptors (for example, references to other items, which may have changed as a result of the MBS Review or prior reviews).
Obsolete services / items	Services that should no longer be performed as they do not represent current clinical best practice and have been superseded by superior tests or procedures.
Services average annual growth	The average growth per year, over five years to 2016/17, in utilisation of services. Also known as the compound annual growth rate (CAGR).
The Advisory Group	The Paediatric Surgery Advisory Group of the MBS Review
The Taskforce	The MBS Review Taskforce
Total benefits	Total benefits paid in 2016/17 unless otherwise specified.
VR	Vocationally registered GPs

9. Glossary of Medical Terms¹⁵

Term	Description
Analgesia	Analgesia refers to medicines that relieve pain without causing loss of consciousness such as Non-steroidal Anti Inflammatory drugs
Anaesthesia	Anaesthesia is an agent that results in temporary loss of sensation. A general anaesthesia is a generalised body loss of sensation and consciousness, used to ensure a patient will not feel pain, move or be aware during surgery
Branchial fistula	Small opening in the skin that drains fluid near the front edge of the neck muscle
Circumcision	A circumcision is where the foreskin that protects the head of the penis is removed.
Circumcision Revision	A circumcision revision is undertaken to correct complications arising from the first surgery.
Clitoroplasty	Clitoroplasty is a surgical procedure to alter the physiology of the clitoris, and includes procedures in which part of the erectile tissue of the clitoris is removed (clitoral reduction) or relocated (clitoral recession) to reduce the apparent size of the clitoris.
Cloacal Exstrophy	Cloacal Exstrophy is a condition in which an infant has the bladder and a portion of the intestines exposed outside the abdomen. In males the penis is either flat and short or sometimes split. In females the clitoris is split and there may be two vaginal openings. Frequently the intestine is also short and the anus may not be open.
Cryptorchidism	Cryptorchidism refers to the condition in which the testes fail to descend into the scrotum and are retained within the abdomen or inguinal canal.
Dysgenesis	Dysgenesis refers to abnormal organ development during embryonic growth and development of a foetus. Gonadal and adrenal dysgenesis are two of the more common types of dysgenesis.
Enteral Feeding	Enteral Feeding occurs through a tube when the patient is unable to feed through the mouth.
Genitoplasty	Genitoplasty is the surgical alteration of external genitalia, and is a procedure sometimes performed on individuals with ambiguous genitalia.
Genitourinary	The genitourinary system consists of the kidneys, ureters, bladder, and urethra.
Genotype	A person's genotype describes all of the genetic information that is encoded in his or her chromosomes (for example 46XY or 46XX, among others). It also refers to the genetic information carried by a pair of genes (one from each parent) which controls a particular characteristic.
Gonad	Gonads are reproductive glands; the term can refer to either testicles or ovaries. Gonads in foetuses develop into either testes or ovaries depending on the chromosomal constitution of the foetus. In some intersex people, gonads do not differentiate fully into one type or the other.
Hernia	A hernia occurs when tissues or organs bulge through a weak point in the wall of the abdomen (belly muscles).
	<u>Inguinal hernia</u> — An inguinal hernia occurs when soft tissue bulges through the abdominal wall. If not treated the opening can widen and more tissue can push

¹⁵

https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/Involuntary_Sterilisation/Sec_Report/a05
<https://www.merriam-webster.com/dictionary>
<https://www.healthdirect.gov.au>

	<p>through. This can cause pain and swelling. A strangulated hernia occurs when the tissue becomes trapped, cutting off the blood supply. This can be life threatening if not treated.</p> <p><u>Umbilical hernia</u> — The bowel or abdominal tissue pushes through the abdominal wall near the belly button (naval). Umbilical hernias are more common in newborns.</p> <p><u>Incisional hernia</u> — The bowel or other abdominal tissue pushes through the abdominal wall where it's been made weak by surgery or trauma.</p> <p><u>Femoral hernia</u> — The bowel or other abdominal tissue pushes through the abdominal wall near where the leg joins the body. Femoral hernias are more common in women.</p> <p><u>Epigastric hernias</u> — The abdominal fat pushes through the abdominal wall between the belly button and below the rib cage.</p> <p><u>Obstructed or strangulated hernia</u> — The intestines or other structures within the abdomen get trapped and have their blood supply cut off.</p>
Hypospadias	Hypospadias is a development disorder affecting the urethra. In the male, it is a developmental anomaly in which the urethra opens on the underside of the penis or on the perineum. In females hypospadias is a developmental anomaly in which the urethra opens into the vagina.
Intra-abdominal	Intra-abdominal refers to the area of the body in which the ovaries and uterus are found. In some intersex conditions, the position of the testes is intra-abdominal rather than scrotal.
Labiaplasty	Labiaplasty is a surgical procedure to modify, usually by reducing the size of, the labia, the folds of flesh and skin that surround the female genitals.
Orchidopexy	An orchidopexy is an operation to bring a testicle down into the scrotum
Scrotal	In relation to the position of the testes, scrotal testes are in the scrotum. Testes can in some intersex variations be intra-abdominal or inguinal.
Undescended testes	A testicle that hasn't moved into the bag of skin below the penis before birth. Risks associated with undescended testes include fertility problems and testicular cancer in adulthood.
Urethra	Urethra refers to the tube that carries urine and semen to the tip of the penis.
Urogenital sinus	A urogenital sinus is a defect that occurs during fetal development in which the vagina and urethra are combined into one exit out of the body.
Vaginoplasty	Vaginoplasty is a surgical procedure to create a vaginal canal. Some intersex conditions such as Complete Androgen Insensitivity Syndrome may cause individuals to develop a blind vaginal pouch that averages 2.5 to 3.0 cm in depth, compared to an average of 10-12 cm depth for non-CAIS individuals. Some individuals in these circumstances will undergo vaginoplasty.



Appendix A: Summary for consumers

The Advisory Group reviewed 90 MBS items.

Recommendations

The Advisory Group made seven recommendations, to:

- Amend item descriptors of three existing MBS items to reflect current terminology.
- Survey a wide range of relevant clinicians to seek information about their knowledge and experience of circumcision and circumcision revision procedures to better understand how often and why they are undertaken and provide better information to the sector about them.
- Introduce two new MBS items for circumcision revision procedures and restrict the use of other MBS for circumcision revision.
- Support the Urology Clinical Committee's recommendation to mandate use of anaesthesia during circumcision of the penis.
- Provide a 30 per cent increase to the fee for inguinal hernia items 44108, 44111 and 44114.
- Remove the 85 per cent benefit for repair of obstructed or strangulated hernia to ensure this complex procedure is restricted to a hospital setting.
- Remove the 85 per cent benefit for cloacal exstrophy to ensure this complex procedure is restricted to a hospital setting.

These recommendations are discussed in more detail in Appendix B.

No Changes to Items

The Advisory Group made no changes to 82 of the 90 MBS items reviewed based on the following observations:

- The item descriptors reflect contemporary clinical practice and adequately describe the service provided.
- These are highly specialised paediatric surgery services that are provided in large tertiary public hospitals.
 - 50 of the items had less than ten services in 2016-17.
 - Only ten of the items are available to be used out of hospital.
 - MBS data indicates there has been low, decreased or no growth in the utilisation of these items.

A description of these items is provided at Appendix C.



2014-15 Review

As discussed in Section 2 of this Report, the MBS Review Taskforce limited the scope of this Review to MBS items that had not been reviewed in 2014-15.

At that time, a significant review was undertaken resulting in a complex series of amendments to the majority of items relevant to paediatric surgical patients. Part of this involved creating new items for paediatric patients that reflected adult items but recognised the additional complexity involved in certain surgeries on children under 10 years by introducing a fee increase. A short summary of the changes is provided at Appendix D.



Appendix B: Summary for consumers

This table describes changes recommended by the Advisory Group and why a change has been recommended.

Table 5: Paediatric Surgery Advisory Group Recommendations

Recommendation 1: Congenital disorder of sexual differentiation

Item	Existing Descriptor	Proposed Descriptor	What does the item describe?	What has the Advisory Group recommended?	How would the MBS service be different?	Why has this been recommended?
37845	Ambiguous genitalia with urogenital sinus, reduction clitoroplasty, with or without endoscopy (Anaes.) (Assist.)	Congenital disorder of sexual differentiation with urogenital sinus, external genitoplasty with or without endoscopy (Anaes.) (Assist.)	Procedures for anatomical defect that make it difficult to identify a child's gender at birth and/or may interfere with normal sexual and reproductive function as an adult.	New language to reflect changes in community attitudes.	There would be no change to these MBS services.	Changes in community attitudes to patients born with these differences and changes in clinical approach mean that the descriptors do not support a contemporary approach to clinical practice.
37848	Ambiguous genitalia with urogenital sinus, reduction clitoroplasty, with endoscopy and vaginoplasty (Anaes.) (Assist.)	Congenital disorder of sexual differentiation with urogenital sinus, external genitoplasty with endoscopy and vaginoplasty (Anaes.) (Assist.)				Changing this language modernises the MBS and promotes the use of evidence based medicine.
37851	Congenital adrenal hyperplasia, mixed gonadal dysgenesis or similar condition, vaginoplasty for, with or without endoscopy (Anaes.) (Assist.)	Congenital disorder of sexual differentiation , vaginoplasty for, with or without endoscopy (Anaes.) (Assist.)				The changed descriptors shift the focus of the services from identifying the patient to identifying the medical diagnosis.



Recommendation 2: Circumcision and Circumcision Revision Surgery

Item	Existing Descriptor	Proposed Descriptor	What does the item describe?	What has the Advisory Group recommended?	How would the MBS service be different?	Why has this been recommended?
30654	Circumcision of the penis (other than a service to which item 30658 applies).	Circumcision of the penis (other than a service to which item 30658 applies), with topical or local analgesia ¹⁶	Removal of the foreskin that covers the tip of the penis. This may be performed without any pain relief.	That circumcision can only be done with appropriate analgesia That the sector survey members to seek information about circumcision and circumcision revision procedures and provide better information to the sector about them	No change to the service from the Advisory Group recommendation.	The survey would provide a better picture of the incidence and other data associated with circumcision and circumcision revision surgery (such as provider type) being performed in Australia and provide a good base to determine the extent to which the sector requires further information and how to provide it
30654 & 30658	Circumcision of the penis, when performed in conjunction with a service to which an item in group T7 or group T10 applies (Anaes.)	No change	Removal of the foreskin that covers the tip of the penis performed under a general anaesthetic (used to make you unconscious so you will not feel any pain, move or be aware during the surgery).			

¹⁶ The Advisory Group has supported the Taskforce recommendation regarding item 30654. These recommendations are highlighted in bold text.



Recommendation 3: Circumcision and Circumcision Revision Surgery

Item	Existing Descriptor	Proposed Descriptor	What does the item describe?	What has the Advisory Group recommended?	How would the MBS service be different?	Why has this been recommended?
306XX	New Item	Circumcision revision of the penis to undertake a simple repair (other than a service to which item 306YY applies), with topical or local analgesia ¹⁷	Simple revision surgery to the tip of the penis to repair any damage sustained during circumcision.	That circumcision revision should have two new specific items added to the MBS and item descriptors for other items in the MBS that are being used to claim for circumcision revision be restricted	The creation of two new MBS item numbers for circumcision revision will reduce current misuse of existing MBS items, improve transparency for patients.	As the MBS does not currently include specific item numbers for circumcision revision, clinicians must use generic item numbers or make a claim using items from non-paediatric sections of the MBS.
306YY	New Item	Circumcision revision of the penis to undertake a complex repair, particularly when it involves a flap,, with anaesthesia	Complex revision surgery to the tip of the penis, particularly when it involves a flap, to repair any damage sustained during circumcision.			

¹⁷ The Advisory Group has supported the Taskforce recommendation regarding item 30654. These recommendations are highlighted in bold text.



Recommendation 4: Support the Urology Clinical Committee's recommendation

Item	Existing Descriptor	Proposed Descriptor	What does the item describe?	What has the Advisory Group recommended?	How would the MBS service be different?	Why has this been recommended?
30654	Circumcision of the penis (other than a service to which item 30658 applies).	Circumcision of the penis (other than a service to which item 30658 applies), with topical or local analgesia ¹⁸	Removal of the foreskin that covers the tip of the penis. This may be performed without any pain relief.	That circumcision can only be done with appropriate analgesia	The use of analgesia would be mandated for procedures which claim this item	Newborns may experience a greater sensitivity to pain than older age groups, such pain may have long term consequences, and a lack of behavioural response does not necessarily indicate absence of pain, as such this change ensures patient wellbeing.

¹⁸ The Advisory Group has supported the Taskforce recommendation regarding item 30654. These recommendations are highlighted in bold text.



Recommendation 5: Inguinal hernia repair

Item	Existing Descriptor	Proposed Descriptor	What does it describe	What has been recommended?	How would the MBS service be affected?	Why has this been recommended?
44108	Inguinal hernia repair at age less than 12 months (Anaes.) (Assist.)	No change to the descriptor	An operation to repair a defect that had been allowing internal abdominal tissue including bowel to bulge out of the abdominal wall	Align the fees for inguinal hernia items 44108, 44111 and 44114 to be consistent with fees for inguinal hernia items for children under 10 years of age (Items 43841, 43835 and 37804).	The surgeon would receive a higher rebate for the surgery.	The surgery on patients under 12 months is more complex, takes longer than in adults and there is more risk of post-operative complications.
44111	Obstructed or strangulated inguinal hernia, repair, at age, less than 12 months including orchidopexy when performed (Anaes.) (Assist.)		This includes repairing the inguinal hernia, in the situation where tissue has been trapped resulting in and cutting off the blood supply which can result in dead bowel. Correcting an undescended testicle if required.			
44114	Inguinal hernia repair at age less than 12 months when orchidopexy also required (Anaes.) (Assist.)		This includes repairing the inguinal hernia and an operation to correct an associated undescended testicle.			



Recommendation 6: Inguinal hernia repair

Item	Existing Descriptor	Proposed Descriptor	What does it describe	What has been recommended?	How would the MBS service be affected?	Why has this been recommended?
44111	Obstructed or strangulated inguinal hernia, repair, at age, less than 12 months including orchidopexy when performed (Anaes.) (Assist.)	No change to the descriptor	Tissue bulges through the abdominal wall, becomes trapped, and cuts off the blood supply.	Removal of the 85 per cent benefit.	The service would only receive an MBS rebate when performed in hospital	This will benefit patients by ensuring they receive treatment in a safe healthcare environment.

Recommendation 7: Inguinal hernia repair

Item	Existing Descriptor	Proposed Descriptor	What does it describe	What has been recommended?	How would the MBS service be affected?	Why has this been recommended?
43882	Cloacal exstrophy, operation for (Anaes.) (Assist.)	No change to the descriptor	Cloacal exstrophy is a rare and severe birth defect where some or all of the abdomen is exposed	Removal of the 85 per cent benefit.	The service would only receive an MBS rebate when performed in hospital	This will benefit patients by ensuring they receive treatment in a safe healthcare environment.



Appendix C: No Amendments

The Advisory Group made no changes to 82 of the 90 MBS items.

Table 6: Table of existing MBS paediatric items - no amendments

Item number	Item descriptor
13300-13303, 13318-11319	A thin tube is placed in a deep vein or artery and is used to deliver medicine or fluid over a long period of time
13306-13312	Replacement or removal and replacement of blood for testing and / or treatment.
18354-18361	Botox injections to relax foot muscle contractions in people with cerebral palsy to improve their ability to walk.
30622	Correction of a group of defects of the small or large bowel.
30623-30626	Surgery to separate tissue that is joined together when it isn't supposed to be.
30627	Keyhole surgery using a thin tube with a camera on the end to view the inside of the body to diagnose or treat disease.
43804	Correction of a malformation where the intestines don't develop in the proper form. This can cause the intestines to twist causing a blockage and / or cut off the blood flow.
43805, 43835-43841, 43939	Repair of a hole in the diaphragm or abdomen which can allow organs such as intestines, stomach, and liver to move through the hole and to return the organs to their correct position.
43819, 43864-43873, 43807-43816, 43990-43999	Correction of blockages or obstructions in the intestines.
43822	Surgery to connect the anus and rectum where they haven't developed properly.
43828-43831, 43834	Removal of dead tissue from the bowel caused by a gastrointestinal disease. Some cases may require the two ends of the bowel to be joined together.
43832	Removal of an opening in the neck through which mucous drains.
43843-43858, 43903	Correction of congenital defects where patients are born without part of the tube that connects the mouth to the stomach.
43864-43873	Correction of congenital defects where internal organs protrude out through a hole in the belly.
43876-43879	Removal of tumours on the tailbone.
43882	Surgery to correct congenital defects where bladder and intestines are outside the pelvis.
43909	Stitching the aorta to the breastbone to stop a person's airway from collapsing while they are breathing.
43912	Removal of cysts which may occur in the lungs, the area between the lungs or the intestines.
43915	Stabilization of the diaphragm to prevent the lungs from ballooning outward when a baby breathes out.
43930	Loosening of a muscle which is blocking food from entering the small intestine from the stomach
43933-43936	Clearing and, where necessary, removing any dead intestinal tissue to prevent one part of the intestine from telescoping abnormally into another part. This may also include connecting loops of the intestines.



Item number	Item descriptor
43942	Removal of fibrous tissue connecting insides of the small intestine to the outside of the belly button.(navel/umbilicus)
43945	Removal of open channel connecting insides of the small intestine to the outside of the belly button.(navel/umbilicus) which allows bowel content to leak out of body
43948	Removal of a lump of tissue from the belly button.
43951 - 43957	Wrapping of the top of the stomach around the bottom of the tube connecting the throat to the stomach to help stop stomach acid moving up the tube (reflux).
43960-43966	Correction of congenital defects where the anus and rectum fail to develop.
43972-43975	Removal of cysts within the bile system and reconnection of bile tubes to the intestine from the liver to allow the flow of bile from the liver to the small intestine. Bile is essential for digestion and absorption of fats and fat-soluble vitamins.
43978	Removal of strictured bile ducts and creation of complex bypass from intestine to liver to allow bile to flow and prevent liver failure.
43981-43987	Removal of malignant renal tumours in children.
44101-44102	Diagnosis and treatment of growths in the rectum.
44104-44105	An injection of a substance around the rectum to prevent the lining from protruding from the anal sphincter.
44130	Removal of infected lymph nodes to treat serious bacterial infection.
44136	Lengthening of the muscle that extends down the side of the neck to correct a twisted or wry neck, where physical therapy has not worked or is inappropriate.



Appendix D: Summary of the 2014-15 Paediatric Review

Stage 1 Review of Existing Paediatric Surgery Items

Stage 1 of the 2014-15 Paediatric Surgery Review resulted in significant changes to MBS items relating to paediatric patients:

- 39 existing items were amended so that they could only be used on patients more than 10 years old (37 items) and more than 2 years old (2 items)
- These were replaced by 39 newly created items for patients under 10 years old (37 items) and under 2 years old (2 items):
 - A 30 per cent increase in the Schedule Fee was applied to the 39 new items.
- The changes recognised that:
 - There were items in other areas of the MBS (mainly General Surgery) that were being predominantly used for surgery on patients under 10 years of age.
 - That a number of these items were for services that were significantly more complex and time consuming on paediatric patients than for adults.
- The table below shows an example of how this process worked.

General Surgery Items as at July 2015	Amended & New Items September 2015
30289 Branchial fistula, removal of (Anaes.) (Assist.) Fee: \$502.25. Benefit: 75% \$376.70	<u>Amended General Surgery item</u> 30289 Branchial fistula, on a person 10 years of age or over , removal of (Anaes.) (Assist.) Fee: \$502.25. Benefit: 75% \$376.70
	<u>New Paediatric Surgery item</u> 43832 Branchial fistula, on a person under 10 years of age , removal of (Anaes.) (Assist.) Fee: \$652.95. Benefit: 75% \$489.75

- 7 existing items were amended so that they could only be performed in hospital.
 - This ensured that the relevant standards for infection control and other accreditation requirements were met.
 - One example is item 43996 provides for complex surgery to remove parts of the bowel that are diseased and then connect the healthy part of the bowel to the anus. The surgery requires a general anaesthetic and may involve multiple operations. Patients usually have co-existing comorbidities. Potential complications from the surgery include infection, abscess, permanent faecal incontinence, obstruction and prolapse. For this reason advice from the ANZAPS was that the surgery should always be performed in a hospital setting.
- The differential structure for items 30612/30614 and 30616/30617 was removed. This arrangement provided different Fees depending on whether the service was provided by a GP or a specialist. The GP items were deleted and the specialist items were kept with the same Fee.
 - For example, the MBS service in Table X below was associated with two item numbers: item 30616 for use by GPs and 30617 for use by specialists. Specialists received a higher Fee for providing the same service as a GP.



- The amendment in September 2015, deleted item 30616. Item 30617 remained for the service at the higher Fee.

General Surgery Items as at July 2015	Amended & New Items September 2015
30616 G Umbilical, epigastric, or linea alba hernia, repair of, in a person under 10 years of age (Anaes.) Fee: \$265.30. Benefit: 75% \$199.00	Deleted
30617 S Umbilical, epigastric, or linea alba hernia, repair of, in a person under 10 years of age (Anaes.) Fee: \$356.35. Benefit: 75% \$267.30	30617 Umbilical, epigastric, or linea alba hernia, repair of, in a person under 10 years of age (Anaes.) Fee: \$356.35. Benefit: 75% \$267.30

Table 7: 2014-15 Paediatric Review Stage 1 Recommendations – Implemented 1 September 2015

Item No.	Changes	Why?
30104, 30286, 30289, 30314, 30375, 30376, 30378, 30390, 30438, 30562, 30563, 30566, 30571, 30572, 30601, 30614, 30615, 30644, 30663, 31350, 31423, 31470, 34527, 34528, 34530, 37800, 37803, 37806, 37809, 37812, 37815, 37818, 37821, 37824, 37827, 37833, 42573, 44102, 44105	Introduced a 30% Fee increase for 39 paediatric surgery items where the service was conducted on: <ul style="list-style-type: none"> • Children under 10 years of age (37 items). • Children under 2 years of age. <p>The Fee increase was applied to a range of items in Group T8 – Surgical Operations: General (22 items); Vascular (3); Urology (11); Ophthalmology (1); Paediatric (2)</p>	This change recognised that these services were significantly more complex and time consuming when performed on children than similar adult surgery services.
	Amended 39 existing paediatric surgery items to restrict the eligibility age to: <ul style="list-style-type: none"> • over 10 years of age (37 items); and • over 2 years of age (2 items) 	This change aligned these items with the new items introduced with the 30% increase.
43852, 43858, 43915, 43942, 43948, 43993, 43996	Removed the 85% benefit for out-of-hospital service – these items which had have low or no utilisation out of hospital.	These items had low or no utilisation out of hospital. This change ensured that the relevant standards for infection control and other accreditation requirements were met.
44108, 44111, 44114	Extended the age of eligibility for these services from less than 3 months of age to less than 12 months of age.	This change clarified the technique and management approach to better reflect the service provided.
30617	Relocated item 30617 from its existing location in General Surgery to the Paediatric Surgery subgroup. Item 30617 was renumbered to new item 43805.	This change was made because 100% of these services were performed on paediatric patients.



Item No.	Changes	Why?
30289, 30601, 30614, 30615	Created four new items (43832, 43838, 43841, 43835) in the Paediatric Surgery subgroup for patients under 10 years of age. These items mirrored existing items in the General Surgery subgroup for children 10 years of age and over (30289, 30601, 30614 and 30615).	This change was made because the existing items had a high utilisation on children and were predominantly performed by paediatric surgeons.
30612, 30616	Deleted these items	This change removed the differential structure for two items. These items had different Schedule Fees based on whether the service was performed by a GP or specialist (the 'G&S' items). It set a single MBS Fee for the services (which were to be claimed under items 30614 and 30617).

Stage 2 Review of MBS Circumcision Items

The outcome of the Circumcision Review was that the four existing circumcision items (30653, 30656, 30659 and 30660) were deleted and replaced with two new items (30654 and 30658). Item 30658 is for circumcision procedures performed under anaesthesia and item 30654 is for all other circumcision procedures. The recommendations took effect on 1 November 2016.

During the Review the ANZAPS proposed the creation of an MBS item for revision circumcision. The proposal was intended to better determine the number of revisions that were required to address complications from a primary procedure.

However, the Department's policy, set out in a letter to ANZAPS in December 2015, was that creation of a revision item would not provide an accurate representation of the revision rates across the Australian health care system (Attachment 1).

Table 8: 2014-15 Paediatric Review Stage 2 Recommendations – Implemented 1 November 2016

General Surgery Items as at July 2016	General Surgery Amended & New Items 1 November 2016
	30654 Circumcision of the penis (other than a service to which item 30658 applies) <i>(See para T8.2 of explanatory notes to this Category)</i> Fee: \$46.50 Benefit: 75% = \$34.90 85% = \$39.55
	30658 Circumcision of the penis, when performed in conjunction with a service to which an item in Group T7 or Group T10 applies (Anaes.) <i>(See para T8.2 of explanatory notes to this Category)</i> Fee: \$142.00 Benefit: 75% = \$106.50 85% = \$120.70
30653 Circumcision of the penis, on a person under 6 months of age (Anaes.) Fee: \$46.50 Benefit: 75% = \$34.90 85% = \$39.55	Deleted
30656	Deleted



General Surgery Items as at July 2016	General Surgery Amended & New Items 1 November 2016
Circumcision of the penis, on a person under 6 months of age (Anaes.) Fee: \$108.15 Benefit: 75% = \$81.15 85% = \$91.95	
30659 G Circumcision of the penis, on a person 10 years of age or over (Anaes.) Fee: \$149.75 Benefit: 75% = \$112.35 85% = \$127.30	Deleted
30660 S Fee: \$185.60 Benefit: 75% = \$139.20 85% = \$157.80	

Stage 3 Requests for Items to Reflect Specific Services

During Stage 3 of the Review, the introduction of a number of new items to address concerns that, in the absence of a specific MBS item for the service, clinicians using generic MBS items may be subject to compliance action.

Medicare data indicated that these services had very low utilisation, as the majority were performed in the public sector. The Department noted that the benefits of introducing a suite of new items for services with low volume utilisation would be outweighed by the regulatory impact and cost to taxpayers.

However, the Department noted the concerns of some practitioners that the absence of items that specifically describe the service provided may be a compliance risk. In the letter to ANZAPS regarding the review of circumcision, the Department also advised that “a service is medically necessary if it is generally accepted by the medical profession as necessary for the appropriate treatment of the patient. The risk of non-compliance is low if selecting MBS services based on this fundamental concept of clinical relevance” (Attachment 1).

Additional Change to Address Inappropriate Practice

An additional change to item 30483 was implemented on 1 May 2018. This item is for patients who require long term enteral Feeding/nutrient support. The amendment prevented the items from being claimed in association with the insertion of experimental weight loss surgical devices.

**Table 9: 2014-15 Paediatric Review Stage 3 Outcomes**

Service	Issue raised by the Profession	Departmental Advice	Outcome
Revision of hypospadias surgery for chordee, scar and glanular reconstructions.		Use of multiple MBS items for hypospadias is appropriate if revision is required.	Item 37824 should be used for revision of hypospadias.
Bladder estrophy bladder closure with reconstruction bladder neck.	The existing item does not reflect the highly complex, time consuming nature of this operation in neonates. In addition, if the service involves closing the bladder neck the complexity increases.	Rare condition (1 in 50000 births). Item 37050 rarely used over the past decade. Largely performed in the public sector and is an issue for activity base funding rather than MBS.	Item 37050 for bladder exstrophy closure without sphincter reconstruction. Item 37375 for urethral sphincter reconstruction.
Cystoscopic injection of Botox into either bladder or bladder neck in the treatment of hyperactive or neurogenic bladders.	Are these injections included in items for patients under 18 years?	PBAC and MSAC recommended that Botox should not be MBS or PBS subsidised for children for idiopathic bladder.	Item 18375 for children with spinal cord injury and multiple sclerosis who are <18. Item 18379 for patients >18 years took effect 1 November 2014.
Cystoscopic paraureteral injection of implantable approved material in the treatment of vesicoureteric reflux (VUR).		Item 36851 covers the injection of Deflux for VUR.	Item 36851 should be used for the injection of Deflux for VUR.
Staged laparoscopic orchidopexies (2 stages).		Existing items 37803-37809. Item 37803 includes laparoscopic approach or circumstances where the procedure is performed in more than one stage.	A more detailed MSAC assessment is required in relation to differential Fee for laparoscopic approach (vs open).
Congenital ano-rectal anomaly surgery or Aganglionosis Coli Surgery where two surgeons perform the surgery one in the abdomen (open or laparoscopic) and one from perineum.	Existing items for Hirschsprung do not cover the conjoint surgical and the procedural techniques used by the surgeon working at the 'top end' are not adequately described.	Department to review existing conjoint surgical items to see which could be used as a benchmark in formulating conjoint items for Aganglionosis Coli Surgery. Existing items for Hirschsprung (5-10/year) are rarely used. This condition is largely managed in the public sector and activity based funding applies.	Items 43822/43960/43963/43966 are for surgical management of anorectal malformation. Items 43819/43990/43993/43999 are for Hirschsprung's disease (Aganglionosis Coli). A stage 1 amendment replaced 'Hirschsprung's' with 'Aganglionosis Coli'.
Laser treatment of port wine stains/angiomas under general anaesthetic			Items 14106-14118 apply
Laparoscopic primary single stage insertion of gastrostomy button			Item 30483 applies (there are also other gastrostomy items)



Service	Issue raised by the Profession	Departmental Advice	Outcome
under general anaesthetic for children			
Laparoscopic repair of varicocele with ligation of testicular vessels	Do items 30634 and 30635 for “surgical correction” of varicocele include laparoscopic approach?	Yes	Items 30634 and 30635 can be used for laparoscopic approach
Surgery for intersex problems i.e. biopsies, excision of gonads	There are no MBS items specifically referring to intersex. Given the wide spectrum of clinical presentations, likely to be some intersex scenarios that could potentially be accommodated by a range of existing items. For example 35638 can be used for laparoscopic excision of ovaries in the context of intersex and diagnostic laparoscopy (30390) can be used if uncertainty around gender.	No further immediate action. If ANZAPS want to pursue the inclusion of specific procedures for intersex scenarios not covered by existing items then further discussion is needed to identify gaps in terms of existing items, what new items (and associated Fees) need to be created and whether this is pursued in a process that is separate to this Review.	No change at this stage
Urogenital/gynaecological examination under an anaesthetic.	A cystoscopy item cannot be co-claimed with a gynecological examination. The proposal was to create new mirror items for paediatric group services	The existing items accommodate these circumstances. Where clinically relevant it may be appropriate to co-claim these items.	Item 35550 for gynaecological examination under anaesthetic and cystoscopy items (such as item 36812) may be used.
Second laparotomy with or without resection with/without changing of silo for neonatal bowel obstruction, ischaemic neonatal bowel disease or congenital anterior abdominal defect		This condition is largely managed in the public sector and activity based funding applies.	Item 30387 could be used.
Gastroschisis – bedside reduction (less than 43864)	Procedure can range from being straightforward to more complex in terms of multiple bedside consultations.	MBS items for operative repair of gastroschisis have very low utilisation and do not cover bedside reduction. Bedside reduction does require significant post reduction follow up to monitor abdominal compartment syndrome and prolonged parenteral nutrition.	Specialists may claim an attendance item each time they need to do this at the bedside.
Gastroschisis or Exomphalos insertion of silo Gastroschisis – laparotomy and insertion of stoma with/out bowel resection	No specific item	Condition rarely managed under MBS	Item 43864 is broadly worded and would likely to cover this procedure. NB - 43864 is being amended separately as part of stage 1 of the review.
Laser treatment of port wine stains/angiomas under general anaes.	No specific item	see items 14106-14118	No change



Attachment 1: 2014-15 Paediatric Review – Letter to ANZAPS re Update on MBS Review of Circumcision – 15 December 2015



Australian Government
Department of Health

Mr Philip Morreau, President
Professor Deborah Bailey, Immediate Past President
Australian and New Zealand Association of Paediatric Surgeons
College of Surgeons' Gardens
250-290 Spring Street
East Melbourne VIC 3002 Australia

Dear Mr Morreau and Professor Bailey

Update on the MBS Review of Circumcision Services

The Department of Health is writing to your Association to provide an update on a component of the current MBS Review of Circumcision Services, specifically the proposal to create a MBS item for revision circumcision.

The clinical review working group for this MBS Review, of which Professor Bailey is a member, recently met on 8 December 2015 to discuss this proposal. The proposal originally arose out of a suggestion by this group to better determine the number of circumcisions that are requiring revision to address complications from the primary procedure. It is the Department's position that the creation of a general revision item, simply to track complications, will not provide an accurate representation of the rate of revision across the Australian health care system. Further, it was determined that these services are already funded through the MBS.

It was also discussed at the review working group meeting that the various surgical procedures that address the different clinical complications arising from circumcision are already accommodated under existing MBS items. The Department recognises that for some types of clinical complications that there is not a single overarching MBS item to cover the complete procedure to address that complication and that your members make a professional judgement as to which combination of existing MBS items are relevant. A concern was raised at the working group whether this may have compliance implications for your members.

The *Health Insurance Act 1973* stipulates that Medicare benefits are payable for clinically relevant professional services which are listed on the MBS. A medical service is clinically relevant if it is generally accepted by the medical profession as *necessary* for the appropriate treatment of the patient. The risk of non-compliance is low if selecting MBS services based on this fundamental concept of clinical relevance. It is important to reiterate to your members that if an individual surgeon is randomly audited they should keep good clinical notes

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outlining the reason for the procedure, a description of what was actually performed and why the MBS item (or items) claimed for the procedure are clinically relevant.

The Department is in the process of finalising the other components of the MBS Review of Circumcision Services and we will be communicating to your Association the outcome of the remainder of the Review in due course.

If you have any further enquiries, the contact in my Branch is Mary Warner. She can be contacted on (02) 6289 7315 or by email at Mary.Warner@health.gov.au.

Yours sincerely

Natasha Ryan
Assistant Secretary
Medical Specialist Services Branch
Medical Benefits Division
December 2015