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# Medicare Benefits Schedule Review Taskforce

## Taskforce Findings

### Spinal Surgery Clinical Committee

## Report

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This document outlines the Medicare Benefits Schedule (MBS) Review Taskforce's recommendations in response to the Spinal Surgery Clinical Committee Report.

The Taskforce considered the recommendations from the Spinal Surgery Clinical Committee and feedback from the public consultation.

The Taskforce endorsed all recommendations from the Spinal Surgery Clinical Committee and submitted them to the Minister for Health for Government consideration.

<b>Number of items reviewed</b>	74
<b>Number of recommendations made</b>	3

Together, the recommendations put forward a new claiming system for spinal surgeons that clearly describes contemporary spinal surgery practice and will help prevent inappropriate claiming of MBS items. The recommendations have focused on addressing multiple item claiming and variation in claiming amongst providers, an issue that was found common to spinal surgery.

Sixty new spinal surgery items are proposed to replace the 74 items currently available; new rules would be introduced, including item co-claiming restrictions; and three obsolete items would be removed and not covered by the new items.

It should be noted that the Taskforce has endorsed the recommendations on a basis of cost neutrality. If the new spinal surgery schedule is implemented, utilisation of spinal surgery items, including co-claiming of items, will be monitored by the Department of Health to ensure the new schedule is being used as intended. Significant variation from forecasted expenditure may warrant review and amendment of fees.

### Taskforce recommendations

**Recommendation 1 – Introduce a new schedule of 60 MBS items for spinal surgery to replace the 74 spinal surgery items currently available (items 40300 to 40351; 48600 to 48694; 47681 to 47717).**

The Taskforce recommends the introduction of a new schedule of MBS items for spinal surgery, to provide greater clarity for surgeons using the item numbers and to ensure consistency in claiming, which will result in patients being eligible for the same level of benefit for the same surgery.

These item numbers are used for all adult spinal pathologies including degenerative disease, infection, deformity (scoliosis and kyphosis), trauma, inflammatory conditions, primary and

secondary vertebral column neoplasia. Paediatric deformity surgery and spinal implants for pain relief are covered by the existing schedule.

### **Guidelines**

- △ For decompression procedures only one item is selected (from Table 1).
- △ For posterolateral spinal fusion without instrumentation, if a decompression is combined with the fusion, two item numbers are selected (with one number each from Tables 1 and 3).
- △ For posterolateral spinal fusion with instrumentation, two item numbers are selected (with one number each from Tables 2 and 3). If decompression is also performed, three items are selected (from each of Tables 1, 2 and 3).
- △ For instrumented spinal fusion with interbody and posterolateral bone graft (with or without cages) and decompression, four item numbers are selected (with one number each from Tables 1, 2, 3 and 4).
- △ Combined anterior and posterior surgeries completed under one anaesthetic are billed using Table 6.
- △ Operations at two separate anatomical locations of the spine completed under one anaesthetic are billed as one operation.
- △ If the item description is not completed in full, the item number should not be used. It is not appropriate to use an item which is a “best guess” or approximate to what was done.

### **Rules (discussed further at Recommendation 2).**

- △ An item from Tables 1 to 7 cannot be claimed with another item from the same table.
- △ Items from the spinal surgery schedule cannot be claimed with any other surgical item in Group T8 of the MBS outside the spinal surgery schedule, when that other surgical item is related to spinal surgery.
- △ An item from Table 6 cannot be claimed with another item from Tables 2, 3 or 4.
- △ “Motion segment” definition.

### **Table 1: Spinal Decompression (cervical, thoracic and lumbar)**

Includes discectomy, decompression of central spinal canal by laminectomy or partial corpectomy (vertebral spurs and osteophytes; less than 50% of the vertebral body), and decompression of the subfacetal recess, the exit foramen and far lateral (intertransverse) space. If more than 50% of a vertebral body is resected (piecemeal vertebrectomy) an item number from Table 5 can also be selected.

**A motion segment** includes all anatomical structures (including traversing and exiting nerve roots) between and including the top of the pedicle above to the bottom of the pedicle below.

Only one item can be selected from this table.

**Table 1: Only one item number can be selected from this table**

Draft Item	Item descriptor	Fee
xx101	Spinal decompression via partial or total laminectomy or partial vertebrectomy, 1 motion segment (Anaes.) (Assist.) (H)	\$1,435.50
xx102	Spinal decompression via partial or total laminectomy or partial vertebrectomy, 2 motion segments (Anaes.) (Assist.) (H)	\$1,913.80
xx103	Spinal decompression via partial or total laminectomy or partial vertebrectomy, 3 motion segments (Anaes.) (Assist.) (H)	\$2,392.25
xx104	Spinal decompression via partial or total laminectomy or partial vertebrectomy, 4 motion segments (Anaes.) (Assist.) (H)	\$2,870.70
xx105	Spinal decompression via partial or total laminectomy or partial vertebrectomy, more than 4 motion segments (Anaes.) (Assist.) (H)	\$3,349.15

**Note – Exact item numbers will be decided on for implementation.**

**Table 2 Spinal instrumentation (cervical, thoracic and lumbar)**

Includes anterior and/or posterior instrumentation.

**A motion segment** includes all anatomical structures (including traversing and exiting nerve roots) between and including the top of the pedicle above to the bottom of the pedicle below.

For example, a L4/5 instrumented fusion represents a fusion of one motion segment.

**Table 2: Only one item number can be selected from this table**

Draft Item	Item descriptor	Fee
xx200	Simple fixation of part of one vertebra (not motion segment) including pars interarticularis, spinous process or pedicle, or simple interspinous wiring between two adjacent vertebral levels, other than a service associated with interspinous dynamic stabilisation devices (Anaes.) (Assist.) (H)	\$765.45
xx201	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, 1 motion segment (Anaes.) (Assist.) (H)	\$1,281.20
xx202	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, 2 motion segments (Anaes.) (Assist.) (H)	\$1,593.72
xx203	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, 3 or 4 motion segments (Anaes.) (Assist.) (H)	\$1,896.62

Draft Item	Item descriptor	Fee
xx204	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, 5 or 6 motion segments (Anaes.) (Assist.) (H)	\$2,189.62
xx205	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, 7 to 12 motion segments (Anaes.) (Assist.) (H)	\$2,559.22
xx206	Fixation of motion segment with vertebral body screw, pedicle screw or hook instrumentation including sublaminar tapes or wires, more than 12 motion segments (Anaes.) (Assist.) (H)	\$2,801.89

**Table 3 Posterior and/or Posterolateral (intertransverse or facet joint) bone graft (cervical, thoracic and lumbar)**

Includes local morcellized, artificial or harvested bone graft with or without BMP (bone morphogenic protein).

**A motion segment** includes all anatomical structures (including traversing and exiting nerve roots) between and including the top of the pedicle above to the bottom of the pedicle below.

**Table 3: Only one item number can be selected from this table**

Draft Item	Item descriptor	Fee
xx301	SPINE, bone graft to, 1 motion segment (Anaes.) (Assist.) (H)	\$941.45
xx302	SPINE, bone graft to, 2 motion segments (Anaes.) (Assist.) (H)	\$1,129.74
xx303	SPINE, bone graft to, 3 motion segments (Anaes.) (Assist.) (H)	\$1,318.03
xx304	SPINE, bone graft to, 4 to 7 motion segments (Anaes.) (Assist.) (H)	\$1,412.18
xx305	SPINE, bone graft to, 8 to 11 motion segments (Anaes.) (Assist.) (H)	\$1,506.32
xx306	SPINE, bone graft to, 12 or more motion segments (Anaes.) (Assist.) (H)	\$1,600.47

**Table 4 Anterior column fusion, with or without implant, or limited vertebrectomy (less than 50%) and anterior fusion, (cervical, thoracic and lumbar), via any approach.**

Includes placement of local morcellized, artificial, harvested bone graft, BMP (bone morphogenic protein) and prosthetic devices into the intervertebral space.

**A motion segment** includes all anatomical structures (including traversing and exiting nerve roots) between and including the top of the pedicle above to the bottom of the pedicle below.

Numbers from this table are selected irrespective of surgical approach (anterior, direct lateral or posterior via open or minimally invasive techniques).

**Table 4: Only one item number can be selected from this table**

<b>Draft Item</b>	<b>Item descriptor</b>	<b>Fee</b>
xx401	SPINAL FUSION (anterior, direct lateral or posterior interbody) 1 motion segment (Anaes.) (Assist.) (H)	\$1,082.70
xx402	SPINAL FUSION (anterior, direct lateral or posterior interbody) 2 motion segments (Anaes.) (Assist.) (H)	\$1,515.78
xx403	SPINAL FUSION (anterior, direct lateral or posterior interbody) 3 motion segments (Anaes.) (Assist.) (H)	\$1,894.73
xx404	SPINAL FUSION (anterior, direct lateral or posterior interbody) 4 motion segments (Anaes.) (Assist.) (H)	\$2,057.13
xx405	SPINAL FUSION (anterior, direct lateral or posterior interbody) 5 or more motion segments (Anaes.) (Assist.) (H)	\$2,165.40

**Table 5 Spinal Osteotomy and/or vertebrectomy**

Major resection of sacral and pelvic tumours (malignant and benign) is covered by the existing schedule under subheading 'Orthopaedic Malignant Disease' (item numbers 50221 and 50224) or by using item numbers from the above five tables. A surgeon must not combine items from this section of 'Adult Spinal Surgery' with items from 'Orthopaedic Malignant Disease'.

Regarding items 504, 505 and 506, a piecemeal or subtotal vertebrectomy is defined as removal of more than 50% of the vertebral body. If less than 50% of the vertebral body is removed an appropriate number from Table 4 should be used.

**Table 5: Only one item number can be selected from this table**

<b>Draft Item</b>	<b>Item descriptor</b>	<b>Fee</b>
xx501	Pedicle Subtraction Osteotomy, 1 motion segment (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$1,850.00
xx502	Pedicle Subtraction Osteotomy, 2 motion segments (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,250.00
xx503	Vertebral Column Resection Osteotomy performed through single posterior approach, 1 motion segment (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,560.00
xx504	VERTEBRAL BODY, piece meal or subtotal excision of, where piecemeal or subtotal vertebrectomy is defined as removal of more than 50% of the vertebral body, 1 vertebra (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$1,365.00
xx505	VERTEBRAL BODY, piece meal or subtotal excision of, where piecemeal or subtotal vertebrectomy is defined as removal of more than 50% of the vertebral body , 2 vertebrae (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,047.50
xx506	VERTEBRAL BODY, piece meal or subtotal excision of, where piecemeal or subtotal vertebrectomy is defined as removal of more than 50% of the vertebral body , 3 or more vertebrae (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,388.75
xx507	VERTEBRAL BODY, en bloc excision of (complete spondylectomy), 1 vertebra (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,400.00
xx508	VERTEBRAL BODY, en bloc excision of (complete spondylectomy), 2 vertebrae (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$2,700.50
xx509	VERTEBRAL BODY, en bloc excision of (complete spondylectomy), 3 or more vertebrae (not to be used with item numbers from Table 4 at the same motion segment) (Anaes.) (Assist.) (H)	\$3,300.00

**Table 6 Anterior and Posterior (Combined) Spinal Fusion under One Anaesthetic via Separate Incisions**

If Table 6 is used, items numbers from Table 2, 3 or 4 cannot be combined. Table 6 assumes that a front and back combined procedure includes anterior and posterior bone grafting and instrumentation.

The numbers in this table don't assume a laminectomy or spinal osteotomy are necessarily performed.

From now, if canal decompression is performed (from either a front or back approach) a single number from Table 1 is added.

Similarly, if a spinal osteotomy or vertebrectomy (>50%) is performed as part of the combined front and back procedure, a single number from Table 5 is added.

**Table 6: Only one item number can be selected from this table**

Draft Item	Item descriptor	Fee
xx601	SPINE FUSION, anterior and posterior, 1 motion segment (Anaes.) (Assist.) (H)	\$2,834.63
xx602	SPINE FUSION, anterior and posterior, 2 motion segments (Anaes.) (Assist.) (H)	\$3,674.37
xx603	SPINE FUSION, anterior and posterior, 3 motion segments (Anaes.) (Assist.) (H)	\$4,450.36
xx604	SPINE FUSION, anterior and posterior, 4 to 7 motion segments (Anaes.) (Assist.) (H)	\$4,952.84
xx605	SPINE FUSION, anterior and posterior, 8 to 11 motion segments (Anaes.) (Assist.) (H)	\$5,477.78
xx606	SPINE FUSION, anterior and posterior, 12 or more motion segments (Anaes.) (Assist.) (H)	\$5,767.52

**Note:** The number of levels chosen is based on the extent of posterior bone grafting and fusion. For example, a 4 level anterior release and bone graft with T3-12 posterior instrumentation and posterolateral bone graft is billed as an 8 level procedure, namely Item 605.

If a laminectomy is included in the procedure, an Item from Table 1 is added depending on the number of levels that were decompressed.

Similarly, if a spinal osteotomy or vertebrectomy (>50%) is undertaken as part of the front and back combined procedure then a number from Table 5 is added.

**Table 7 Intradural Procedures**

**Table 7: Only one item number can be selected from this table**

<b>Draft Item</b>	<b>Item descriptor</b>	<b>Fee</b>
xx701	Removal of INTRADURAL LESION (Anaes.) (Assist.) (H)	\$2,500.00
xx702	CRANIOCERVICAL JUNCTION LESION, transoral approach for (Anaes.) (Assist.) (H)	\$2,600.00
xx703	Removal of INTRAMEDULLARY TUMOUR OR ARTERIOVENOUS MALFORMATION (Anaes.) (Assist.) (H)	\$3,300.00

**Table 8 Miscellaneous Spinal Procedures (cervical, thoracic and lumbar)**

**Table 8: One or more item number(s) can be selected from this table**

<b>Draft Item</b>	<b>Item descriptor</b>	<b>Fee</b>
xx802	THORACOPLASTY in combination with thoracic scoliosis correction - 3 or more ribs (Anaes.) (Assist.) (H)	\$1,183.40
xx803	ODONTOID screw fixation (Anaes.) (Assist.) (H)  (Not to be used with other item numbers for the management of the odontoid fracture)	\$2,079.75
xx810	SPINE, treatment of fracture, dislocation or fracture-dislocation, with immobilisation by calipers or halo. Does not apply to application of skull tongs or calipers as part of operative positioning (Anaes.)	\$753.25
xx811	SKULL CALIPERS or HALO, insertion of, as an independent procedure (Anaes.) (H)	\$320.15
xx812	PLASTER JACKET, application of, as an independent procedure (Anaes.)	\$216.50
xx813	HALO, application of, in addition to spinal fusion for scoliosis, or other conditions (Anaes.) (H)	\$240.05
xx814	HALO-THORACIC Orthosis - application of both halo and thoracic jacket (Anaes.) (H)	\$423.75
xx815	HALO-FEMORAL TRACTION, as an independent procedure (Anaes.)	\$423.75
xx820	BONE GRAFT, harvesting of autogenous graft, via separate incision or via subcutaneous approach, in conjunction with spinal fusion. Does not apply for bone graft obtained from the cervical, thoracic lumbar or sacral spine (Anaes.) (H)	\$235.50
xx830	Lumbar artificial intervertebral total disc replacement, at 1 motion segment only, including removal of disc and marginal osteophytes,	\$1,793.65



Draft Item	Item descriptor	Fee
	for a patient who: (a) has not had prior spinal fusion surgery at the same lumbar level; and (b) does not have vertebral osteoporosis; and (c) has failed conservative therapy (Anaes.) (Assist.) (H)	
xx831	Cervical artificial intervertebral total disc replacement, at 1 motion segment only, including removal of disc and marginal osteophytes, for a patient who: (a) has not had prior spinal surgery at the same cervical level; and (b) is skeletally mature; and (c) has symptomatic degenerative disc disease with radiculopathy; and (d) does not have vertebral osteoporosis; and (e) has failed conservative therapy (Anaes.) (Assist.) (H)	\$1,560.20
xx840	Previous Spinal Fusion, re-exploration for, involving adjustment or removal of instrumentation up to 3 motion segments, not being a service to which item 841 applies (Anaes.) (Assist.) (H)	\$442.45
xx841	Previous Spinal Fusion, re-exploration for, involving adjustment or removal of instrumentation more than 3 motion segments, not being a service to which item 840 applies (Anaes.) (Assist.) (H)	\$818.53
xx845	Wound debridement or excision for post-operative infection or haematoma following spinal surgery (Anaes.) (H)	\$442.45
xx850	Coccyx, excision of (Anaes.) (Assist.) (H)	\$445.40
xx860	Anterior exposure of thoracic or lumbar spine, one motion segment <sup>2</sup> (Anaes.) (Assist.) (H)	\$1,150.00
xx865	Anterior exposure of thoracic or lumbar spine, more than one motion segment <sup>2</sup> (Anaes.) (Assist.) (H)	\$1,450.00
xx870	Syringomyelia or Hydromyelia, craniotomy for, with or without duraplasty, intradural dissection, plugging of obex or local Cerebrospinal Fluid Shunt (Anaes.) (Assist.) (H)	\$2,184.60
xx871	Syringomyelia or Hydromyelia, treatment by direct Cerebrospinal Fluid Shunt e.g. Syringosubarachnoid shunt, Syringopleural shunt, Syringoperitoneal shunt (Anaes.) (Assist.) (H)	\$917.40

<sup>2</sup> If the spine surgeon performs his or her own exposure to the thoracic or lumbar spine then this item number is added to the item numbers used for the overall surgery. If an exposure surgeon is used at any time during the procedure, then this number is used in isolation by the exposure surgeon. If the exposure surgeon needs to perform complex non spinal surgery, they may use a more appropriate number but not in combination with 860 or 865. If an exposure surgeon claims a number from any section of the MBS Schedule, the spinal surgeon cannot claim number 860 or 865.

## **Recommendation 2 – Introduce new rules to underpin the new schedule.**

### **Rules:**

- △ An item from Tables 1 to 7 cannot be claimed with another item from the same table.**
  - In practice, if item 101 is claimed from Table 1, items 102, 103, 104 and 105 will be ineligible for Medicare benefits.
  - Table 8 is excluded from this rule, i.e. one or more items can be claimed from Table 8.
  
- △ Items from the spinal surgery schedule cannot be claimed with any other surgical item in the MBS outside the spinal surgery schedule, when that other surgical item is related to spinal surgery.**
  - In practice, if a surgeon claims a new spinal surgery item, all other items in Group T8 of the MBS outside the spinal surgery schedule (surgical operations; items 30001 to 50952), claimed on the same day, for the same patient, will be ineligible for Medicare benefits.
  - Medicare benefits for non-spinal surgery items will still apply if they are for the purpose of non-spinal pathologies (e.g. limb fractures or intracranial haematoma). The surgeon will need to indicate that the non-spinal items are unrelated to the spinal items when claiming in order for benefits to apply.
  - Paediatric spine surgery items are excluded from this rule (MBS items 50600 to 50644).
  
- △ An item from Table 6 cannot be claimed with another item from Tables 2, 3 or 4.**
  - In practice, a surgeon undertaking anterior and posterior (combined) spinal fusion under a single anaesthetic should claim the appropriate item in Table 6. Additional items from Tables 2, 3 and 4 will be ineligible for Medicare benefits.
  - Table 6 assumes that an anterior and posterior combined procedure includes anterior and posterior bone grafting and instrumentation.
  
- △ “Motion segment”**
  - A motion segment includes all anatomical structures (including traversing and exiting nerve roots) between and including the top of the pedicle above to the bottom of the pedicle below.

### Recommendation 3 – Remove three obsolete items.

The Taskforce recommends that items 40336, 48600 and 48603 listed below are removed from the MBS as they are obsolete. The items will not be represented in the new schedule.

**Table 9: Obsolete spinal surgery items**

Item	Item descriptor	Schedule fee (\$)	Services (2016-17)
40336	INTRADISCAL INJECTION OF CHYMOPAPAIN (DISCASE) - 1 disc (Anaes.) (Assist.)	315.90	1
48600	SPINE, MANIPULATION OF, performed in the operating theatre of a hospital (Anaes.)	94.00	86
48603	SPINE, manipulation of, under epidural anaesthesia, with or without steroid injection, where the manipulation and the administration of the epidural anaesthetic are performed by the same medical practitioner in the operating theatre of a hospital, not being a service associated with a service to which item 48600 or 50115 applies (Anaes.)	141.25	7

Source: Department of Human Services, date of processing