



Medicare & Private Health Insurance – An Update

15 September 2017

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Chair

Economics Advisory Committee, Australian Society of Anaesthetists

Summary

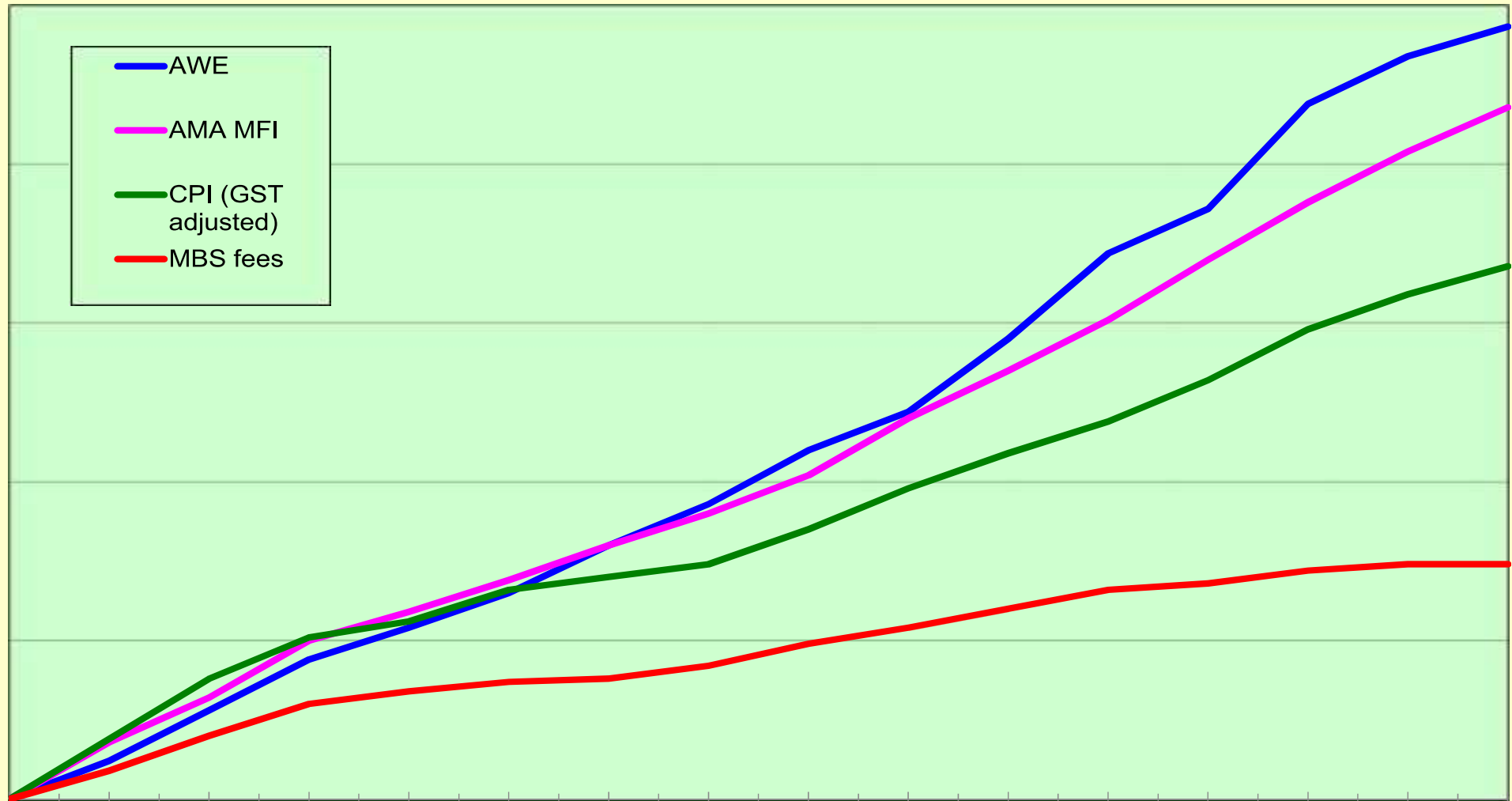
- ▶ Medicare “Freeze”
- ▶ Medicare Benefits Schedule Review
- ▶ Private Health Insurance
 - ▶ Medibank Private
 - ▶ NIB

Support Represent Educate

Medicare “Freeze”

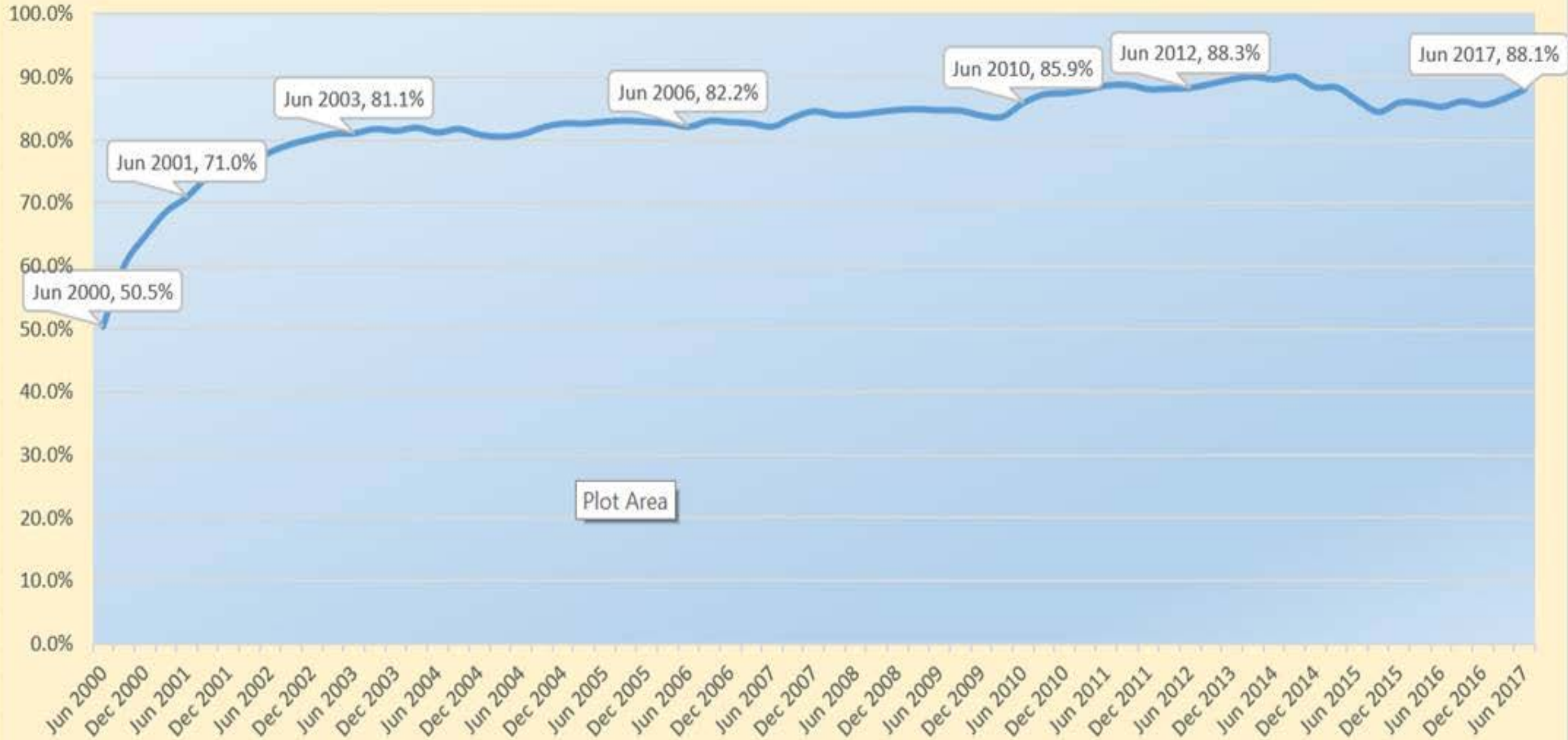
- ▶ Last indexation – November 2012
- ▶ Original plan – delay to July 2013
- ▶ Next plan – July 2014
- ▶ Next plan – July 2020
- ▶ Currently:
 - ▶ July 2018 (General Practice)
 - ▶ July 2019 (Others)

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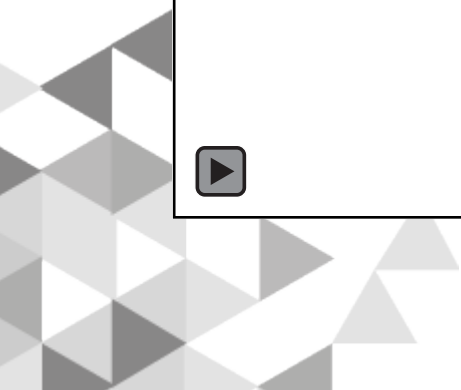
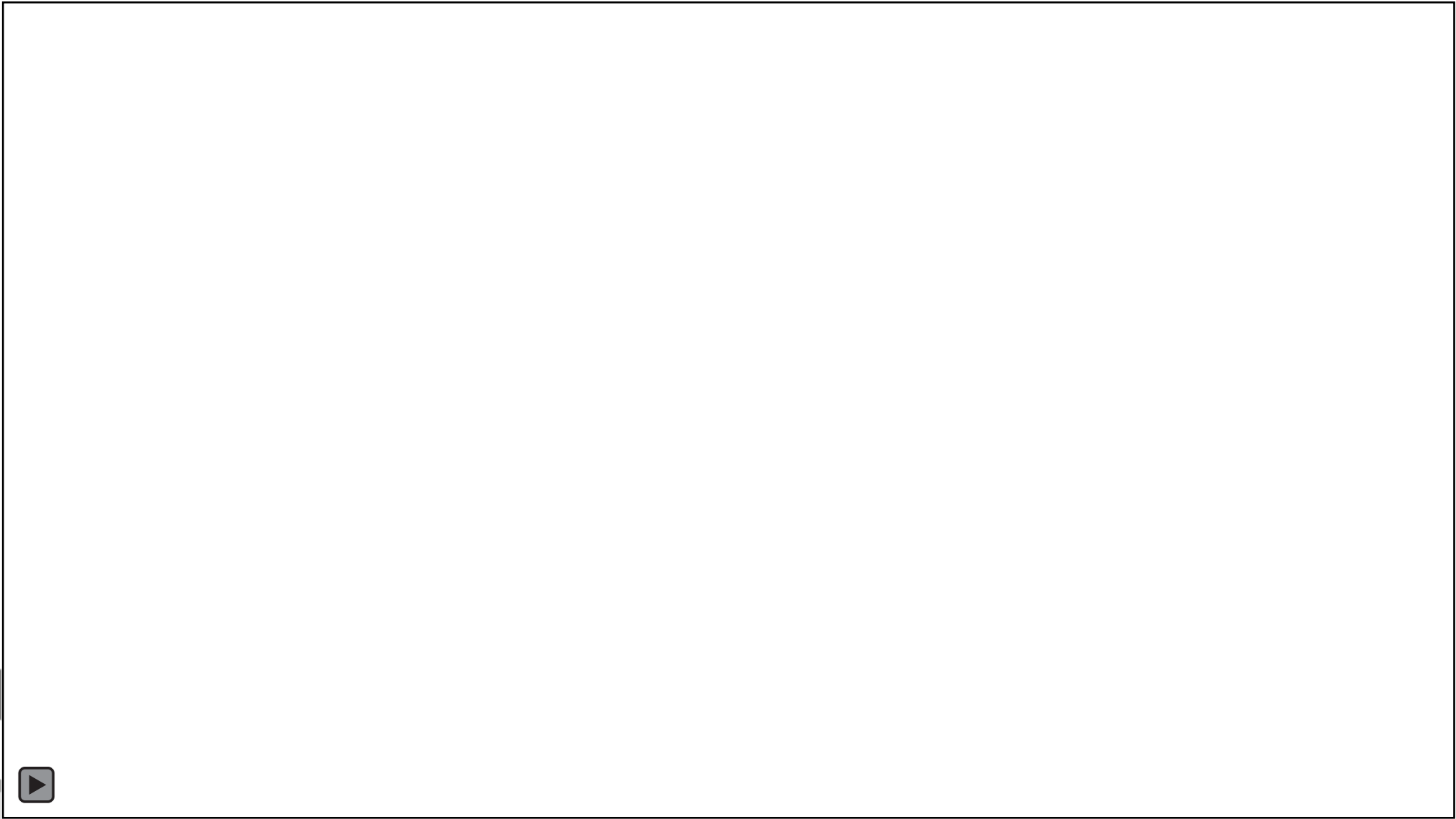
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No-Gap (all services) 2000-2017



Anaesthesia No-Gap rate 2008-2017







NONSENSE



Australian Prudential Regulation Authority

- ▶ (ex) Private Health Insurance Administration Council
- ▶ Independent government-funded body
- ▶ Range of statistics related to PHI industry
- ▶ Gaps data??



Australian Prudential Regulation Authority

- ▶ You !!!
- ▶ “No gap”
- ▶ “Known Gap”
- ▶ “Private” account
- ▶ Other methods of billing
 - ▶ “Admin fee”
 - ▶ Rooms consult, non-bulk-billed

Medicare Benefits Schedule Review

- ▶ Mid-2015
- ▶ MBS Review Taskforce
- ▶ Prof. Bruce Robinson
- ▶ 5,700 Medicare items
- ▶ Never fully reviewed >30 years
- ▶ “Clinical Committees” for each specialty

Medicare Benefits Schedule Review

- ▶ Clinical Committees
 - ▶ Presidents, VP's, Academics
 - ▶ Consult widely
 - ▶ Individual specialties (to date) OK with it
 - ▶ "Tweaks"
- ▶ EXCEPT.....
- ▶ Anaesthesia !!

Medicare Benefits Schedule Review

- ▶ MAJOR changes proposed to RVG
- ▶ Cuts !!!
- ▶ Significant impact
 - ▶ Billing
 - ▶ Practices
 - ▶ Gaps

Medicare Benefits Schedule Review

- ▶ If it gets through !!
- ▶ ASA working on it

Private Health Insurance

- ▶ Medibank Private
- ▶ NIB
- ▶ Senate inquiry



Medibank Private

- ▶ Data collection
 - ▶ Outcomes
 - ▶ Fees
- ▶ Surgery
 - ▶ Return to theatre
 - ▶ Length of hospital stay
 - ▶ Fees



Surgical Variance Report
General Surgery



Medibank Private

- ▶ Anaesthesia??
- ▶ No co-branded glossy brochures
- ▶ Data presented to us/ASA assistance
- ▶ Outliers
 - ▶ Time items
 - ▶ "Quality"
- ▶ You will be approached

NIB

- ▶ “No gap” only
- ▶ Whitecoat
 - ▶ HCF, Bupa
 - ▶ Doctor rating
 - ▶ Potential for misuse
 - ▶ “Cherry picking”
 - ▶ Fee comparisons
 - ▶ No guarantees
 - ▶ Race to the bottom?

Senate Inquiry

- ▶ Senate Community Affairs References Committee
- ▶ “Value and affordability of private health insurance, and out-of-pocket costs”
- ▶ Lots of submissions (including ASA)
- ▶ Publicity !!
- ▶ ACCC prosecutions

Private Health Insurance Industry

- ▶ Control
- ▶ Profits !!
- ▶ Implications?
 - ▶ Best possible practices





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