



AUSTRALIAN MEDICAL
ASSOCIATION
ABN 37 008 426 793

T | 61 2 6270 5400
F | 61 2 6270 5499
E | ama@ama.com.au
W | www.ama.com.au

39 Brisbane Ave Barton ACT 2600
PO Box 6090 Kingston ACT 2604

AMA Submission on Bundling Arrangements for General Use Items on the Prostheses List

submissions.ihacpa@ihacpa.gov.au,

The AMA is supportive of the reforms to the prostheses list (PL). While the AMA supported the removal of some of the general use items (GUI) from the PL, this was on the condition that these items remained adequately funded. Patients must continue to have funded access to essential clinical items, tools and supplies so that they are not left out-of-pocket. Clinicians must continue to have access to items they have now, and any bundling arrangements must be sufficiently flexible to allow new items which do not fit on the PL to be included in future bundling arrangements.

As the peak body representing Australia's doctors, the interest of the AMA in this space is primarily ensuring continued access to all current and future GUIs through an appropriately funded model. The AMA notes that the consultation paper refers to "alternative arrangements" for funding the removed items, but that these are yet to be determined.

The AMA has continuously advised caution when dealing with items contained in the General Miscellaneous List. We agree that some of these items do not meet an appropriate definition of a prosthesis, but this does not mean they are not clinically important. The AMA has never supported their removal from the PL list without adequate financial arrangements for funding being identified, agreed upon and established. Many of these items are the result of years of research and testing and contribute to much better patient outcomes. Their use by clinicians should not be jeopardised.

We are supported in this view by the Clinical Implementation Reference Group (CIRG) who have also only agreed to these items being removed if they were appropriately funded. Despite not being defined as "prostheses", they are essential clinical items which Australia's medical practitioners and patients rely on. The AMA supports reference pricing these items whilst an alternative funding mechanism is developed, agreed and implemented.

The AMA is not involved in the purchasing or contracting arrangements between device manufactures, insurers and hospitals, nor do we own any relevant datasets. It is also difficult for the AMA to provide comment without having samples of proposed bundling arrangements to comment on. We would expect that these will be reviewed by a clinical group (such as CIRG) prior to the Government accepting the recommendations from the Independent Health and Aged Care Pricing Authority (IHACPA).

As such, this submission does not specifically address the questions in the consultation paper. The purpose of making this submission is primarily to share significant concerns we have that some items of the GUIs have not been included in bundling arrangements.

The AMA has received reports from other stakeholders that certain GUIs are still being identified for removal from the prostheses list and are not being included in the current development of these bundling arrangements. The AMA does not find this acceptable and does not support such clinical items not being included in alternative funding arrangements.

We also share concerns with other stakeholders about the funding of specific “kits” of items, specifically what will be included and excluded, and how funding will work. There is a risk that certain items will be left out, either undermining patient safety through forcing a clinician to use an inferior or unfamiliar item or leaving the patient with significant out-of-pocket costs.

As such it is essential that genuine clinical oversight is provided before the Government approves bundling arrangements. Any bundling arrangement where GUIs are excluded from bundling arrangements without first being approved by the CIRG and then tested broadly with the relevant medical bodies is unacceptable to the AMA.

The AMA acknowledges that IHACPA has a difficult task in managing conflicting advice from different parts of the sector, all with their own clear interests and desired outcomes. The AMA has no direct financial benefit from the PL and as such we are happy to help broker final arrangement.

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