

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2012-2013, 30 & 31 May and 1 June 2012

Question: E12-221

OUTCOME 3: Access to Medical Services

Topic: Medicare Benefits – Decisions of MSAC

Type of Question: Hansard Page CA112, 30 May 2012

Number of pages: 1

Senator: Senator Fierravanti-Wells

Question:

I was going to ask about the implementation phase between ministerial approval and the MBS listing - the specific tasks, what departments or agencies are responsible and the average processing time with each department or agency. Perhaps you might just take that one on notice, Mr Bartlett?

Answer:

When minutes of the Medical Services Advisory Committee (MSAC) have been endorsed by the members and the public summary documents (PSD) have been developed, MSAC's advice and the PSD are considered by the Government, prior to public release.

Further to MSAC's consideration, modelling is undertaken to estimate demand for a new item, and its cost in terms of MBS rebates and flow-on effects. This includes any potential impact on the Pharmaceutical Benefits Scheme (PBS), pathology and diagnostic imaging services, and costs that would need to be borne by related agencies (eg Department of Veterans Affairs, Department of Human Services). Any financial impacts must be agreed with the Department of Finance and Deregulation prior to assessment by the Expenditure Review Committee (ERC), and any new funding would need to be offset. The process in which policy proposals are made to ERC is through the regular PBS omnibus Cabinet Submission, which is submitted three times a year.

The Department of Health and Ageing conducts a process of external stakeholder consultation, including with the Australian Medical Association and other professional organisations, to finalise item descriptors and to determine the effects on the sector.

The Department also consults with the Office of Best Practice and Regulation regarding Impact Statements; and liaises with the Office of Legislative Drafting and Publishing to prepare the legislative amendments that are needed to introduce the new item(s). Amended legislation is submitted to the Executive Council for approval, and then tabled in Parliament.

Timeframes within each Department or Agency can vary, and is a question for them.