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05/10/2017

Dear Secretary to the Committee,

My name is Kevin Michel.

I am the Member for Pilbara in the Legislative Assembly of Western Australia.

I was elected to this seat during the March 2017 state election, representing WA Labor.

I am a long-term resident of Karratha, Western Australia, and have travelled widely throughout this expansive electorate both in my previous activities as a small business owner, and in my new role as a Member of Parliament.

I write to strongly urge the Committee to take action in facilitating for the provision of MRI capability and services to the Pilbara region, and North Western Australia more generally.

Specifically, I wish to bring attention to the complete lack of MRI units operating within my electorate, and the financial and social costs that this entails.

I also wish to raise the matter of a mobile MRI unit that briefly operated in my electorate, but has since stopped providing services, due to both not being able to secure a Medicare license and not maintaining financial viability, in no small part due to not having a Medicare license.

As your Committee members may be aware, out of 337 MRI machines across Australia with partial or full Medicare coverage, 32 are in Western Australia, and of these, only two are located in regional Western Australia – both of these MRI machines are south of Perth.[1]

Thus, WA Country Health Service Pilbara does not have an MRI scanner allocated to any of our health care facilities, as part of the range of public health medical imaging services available to my constituents.

This means Pilbara patients requiring outpatient Medicare Benefit Scheme approved MRI scans are referred to Perth, via the Patient Assisted Travel Scheme (PATS).

The numbers of Pilbara patients accessing this service in order to have MRI scans performed in Perth are substantial.

My office has been advised that across the Kimberley and Pilbara over the 2015/16 financial year, 856 patients were transferred to Perth through PATS on 931 separate occasions via

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[1] http://www.health.gov.au/internet/main/publishing.nsf/Content/di-mri-eligunits-wa

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PATS for MRI scans, at a total cost of $598,144, or $642 per trip.

The most recent PATS estimates, spanning the 2016/17 financial year, indicate that 521 Pilbara patients flew to Perth and back for MRI scans.[2]

It should also be noted that these regional demand figures for MRI scans may be understated, due to patients with private health insurance potentially travelling to Perth to have their MRI scans performed within the private health care system.

While PATS policy is to provide assistance with travel and, where appropriate, accommodation costs in accessing the closest medical specialist services available, the out-of-pocket expenses that Pilbara patients face (particularly in instances where accommodation must be funded by the patient) can be substantial, and certainly are disproportionate to expenses paid by metropolitan residents for the same medical service.

The workforce disruptions inherent in needing a minimum of two days total travelling time to and from Perth to access MRI scans (on top of time actually spent receiving MRI scans and other medical care) must likewise be stated, with particular attention to both the wages that casual employees may lose via this arrangement, and the concurrent loss of productivity for Pilbara employers.

I also would highlight the social costs incumbent in patients - who already are likely to suffer the stress and uncertainty of undergoing diagnostic medical imaging - having their anxieties compounded by potentially being alone in Perth with no familial support available whilst their scans are being completed.

A proposed solution might be for the Commonwealth to provide funding for a Medicare licensed MRI machine within the public health system that is able to service Western Australian patients above the 26th parallel, or otherwise, for the Commonwealth to assist in the facilitation of providing MRI facilities situated in the North West.

It is the feeling of myself, and many of my constituents, that savings on the cost involved in sending people from Karratha, Port Hedland, Newman and other Pilbara communities (let alone Kimberley communities) to Perth via PATS could help to pay for the costs involved in running an MRI machine for the North West, particularly if hospitals and practitioners in the region are able to utilitise the referral system, and bulk billing.

Another solution that may address this is to grant an extraordinary Medicare license to Integral Diagnostics Australia, for the operation of their mobile MRI machine.

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[2] https://thewest.com.au/news/north-west-telegraph/pressure-on-to-keep-mri-service-going-ng-b88592461z

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In May 2017, Global Diagnostics Australia began operating a mobile MRI unit (owned by Integral Diagnostics), which was planned to be initially positioned in South Hedland to service the Pilbara region, before being moved to Broome to service the Kimberley region.[3]

Last month (September 2017), Integral Diagnostics ceased to operate this MRI unit, due to patient turnover – which the company claims must comprise of at least five patients a day to make the $700 daily cost of operating the machine viable – being insufficient.[4]

The low numbers of patients accessing this service may partially explained by patients stating that they had been insufficiently informed of the availability of Pilbara-based MRI services.[5]

However, I also note that I have received advice that the approximate cost per scan, per client in utilising this mobile MRI unit – as of February 23, 2017 – was in the vicinity of $950, with upfront payment expected from clients.

It does not seem unreasonable that this cost might have also repelled Pilbara residents in need of an MRI scan, who were able to access MRI services operating under a Medicare license in Perth, via PATS, without spending such a sum of money.

If Integral Diagnostics were able to secure a Medicare license, partial or full Medicare rebates for scans done using their mobile MRI machine may make their service both financially viable to Pilbara and Kimberley patients, and to Integral Diagnostics.

While I understand that the Department of Health does not currently have an application process open for new MRI licenses, I would suggest that a review of the need for this service to operate in our region is undertaken.

If possible, I would suggest that an extraordinary Medicare license be granted to Integral Diagnostics, so that my constituents don't suffer the unprecedented circumstance of gaining access to MRI services at a local level for the first time, before losing this access within the space of six or so months.

To conclude, lack of access to MRI services in the Pilbara is an issue that is frequently voiced by my constituents.

My electorate covers an area of land substantially larger than the entire state of Victoria, and also encompasses one of the nation's economic powerhouses, through our mining and natural resources sectors.

That, in spite of this, we – along with the entirety of North Western Australia - do not have local access to such crucial diagnostic imaging as MRI services does not seem fair, and is a

[3] https://www.globaldiagnostics.com.au/page/about/latest-news/mobile-mri-service-grand-opening-in-hedland/

[4] https://thewest.com.au/news/north-west-telegraph/scannerlost-to-the-east-coast-ng-b88581969z

[5] https://thewest.com.au/news/north-west-telegraph/mris-dont-resonate-with-local-patients-ng-b88602827z

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source of financial and emotional strain to my constituents, as well as an impediment to building long-term sustainability of our communities as places for families to settle, and as stable, well-established populations for businesses to invest in.

Thankyou for your time and efforts, and for your consideration of my submission.

Yours sincerely,

Kevin Michel MLA
Member for Pilbara