



australian diagnostic imaging association

## QUESTIONS ON NOTICE FROM PUBLIC HEARING, 13 DECEMBER 2017

ADIA is grateful for the opportunity to provide answers to questions on notice.

**QoN No. 1, Senator Watt:** *Rather than me putting you on the spot and saying, 'Give me five locations'—and I take your point that we've got to get away from an arbitrary system—I think we would find it really valuable if you could take on notice to come back to us, applying the sorts of processes that you think should be applied, with some indication of the areas where there's a particular need. That doesn't mean to say that you're telling us that we should allocate five licences here and three licences there. But it would be really useful to understand the areas that are missing out as a result of the arbitrariness of the process at the moment. But feel free to take that away and confer with your colleagues.*

Answer:

Areas which are currently underserved and have a particular need for increased MRI access should be identified by a robust, open and independent process. ADIA does not have access to full data around MRI access, and does not wish to prejudice future independent expert analysis by arbitrarily nominating areas which might have a particular need for increased MRI availability.

ADIA also notes that there is a level of confusion about Medicare eligibility of MRI equipment due to the two tiers of licences: partial and full. This system makes it very difficult to interpret available data to ascertain whether access to MRI within communities is sufficient. There is no policy rationale for continuing with two tiers of access, and the licencing system should be simplified to allow all listed MRI services to be provided on all licenced units.

**QoN No. 2, Senator Watt:** *Feel free to take this on notice if it takes too long to answer. I think both of you have made comments about the process for the allocation of licences. For the college, you recommended that a clear and transparent process for new machines to gain eligibility should be introduced. I'd just be interested in knowing a bit more about what you have in mind. And I think the association made some similar points about processes. If you can give us a 30-second answer, feel free, but, if it takes longer than that, maybe you can come back to us on notice.*

*Dr Slater:* *In an ideal world, there would be no licences, but access to machines for Medicare rebate purposes would be purely on the basis of clinical need and clinical decision rules.*

*Dr Gillam:* *As every other modality is.*

*Senator Watt:* *Maybe you want to take that on notice and come back with something that elaborates a bit further—*

*CHAIR:* *That would be—*

*Senator Watt:* *and maybe gives us something that's not in an ideal world as well. Give us something for an ideal world, and then—*

Answer:

ADIA recommends that a robust, open and independent process is developed, with the radiology sector to be consulted on the criteria. We look forward to working with the Government to develop this.

While MRI licences are important, ADIA notes that Medicare rebates need to be adequate for MRI services to be viable for providers and affordable for patients. Radiology rebates have not been indexed for twenty years, and most MRI rebates were actually cut by more than \$80 during this period.

As the Committee heard repeatedly during the public hearings, there is a lot of pressure on public hospitals, which is exacerbated by the rebate freeze.