

6 November 2012

Ms Christine McDonald
Secretary
Senate Finance and Public Administration References Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms McDonald

Inquiry into Medicare funding for Hyperbaric Oxygen Treatment

The Consumers Health Forum of Australia (CHF) welcomes the opportunity to provide a submission to the Senate Finance and Public Affairs References Committee inquiry into Medicare funding for Hyperbaric Oxygen Treatment.

CHF is the national peak body representing the interests of Australian healthcare consumers. CHF works to achieve safe, quality, timely healthcare for all Australians, supported by accessible health information and systems.

CHF notes that Medicare funding has been withdrawn for Hyperbaric Oxygen Treatment (HBOT) for non-diabetic chronic wounds, effective 1 November 2012. This decision has been made following extensive review of the available evidence by the Medical Services Advisory Committee (MSAC). CHF is also aware that there has been considerable opposition to this decision by certain organisations and healthcare providers.

CHF supports the MSAC process, which works to ensure that new and existing medical procedures attracting funding under the Medicare Benefits Schedule (MBS) are supported by evidence of their safety, clinical effectiveness and cost-effectiveness. Australia has a finite health budget, and healthcare costs are increasing. It is appropriate that public funding does not support treatments for which the evidence base is inadequate.

In the case of HBOT for non-diabetic chronic wounds, CHF understands that there is insufficient evidence to support continued public funding. Information is available publicly on the MSAC website outlining the deficiencies of the available evidence and responding to concerns raised by stakeholders following MSAC's original advice to the Minister to cease interim funding (see <http://www.msac.gov.au/internet/msac/publishing.nsf/Content/1054.1>).

It is essential that decisions about public funding of health services are made based on the available evidence, rather than lobbying by healthcare professional or provider organisations or other stakeholders. The consideration of the available evidence by an independent expert committee ensures rigorous assessment of safety, clinical effectiveness and cost-effectiveness to enable appropriate distribution of limited public funds for health services.

CHF notes that the Terms of Reference for this inquiry include consideration of the MSAC process regarding this withdrawal, and other changes to the MBS. It is important to note that the period during which MSAC has considered HBOT for non-diabetic chronic wounds has coincided with significant changes to the MSAC process. The *Review of Health Technology Assessment in Australia*, published in December 2009, recommended that MSAC strengthen and streamline its operations and improve the flexibility of its regulatory processes. New MSAC processes have now been implemented as part of the Comprehensive Management Framework for the MBS, announced in the 2011-12 Budget. Concerns about the process regarding this withdrawal need to be considered in the context of recent efforts to streamline the listing process.

CHF has welcomed changes to the MSAC listing process, which are designed to increase and improve transparency, efficiency and effectiveness of MSAC processes and reduce delays in patients' access to publicly funded services. We are aware of continued efforts to further streamline the process and ensure that applicants to MSAC are aware of the level of evidence that is required in their application. CHF's view is that the new process is an improvement on the previous one, but that there is still considerable scope to enhance consumer input into the new process. CHF is currently working with the Department of Health and Ageing to identify how consumers can play a greater role in the new listing process.

CHF appreciates the opportunity to provide a submission to this consultation. If you would like to discuss these comments in more detail, please do not hesitate to contact me.

Yours sincerely 

Carol Bennett
CHIEF EXECUTIVE OFFICER