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## Prosthesis List Advisory Committee

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Committee Secretary  
Senate Standing Committees on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Committee

Thank you for the opportunity to provide comment into your Inquiry. In September 2016, the Minister for Health, the Hon Sussan Ley MP invited me to Chair a re-constituted Prosthesis List Advisory Committee (PLAC).

The Minister advised me that the Government had identified reform of the prostheses listing arrangements as a key priority to ensure that patients get better value for money and more certainty and equity through their private health insurance. Improving the application, assessment and benefit setting arrangements is a necessary first step in the Government's broader private health insurance reform agenda.

I have received advice from Professor Lloyd Sansom about the outcomes of the Industry Working Group on Private Health Insurance Prosthesis Reform (IWG) which he chaired in early 2016. The IWG had been established to examine opportunities for reform of the prostheses listing processes to ensure:

- Better access to prostheses and devices for consumers as part of the private health care offering;
- Reduced red tape and administrative burden for private health insurers;
- Opportunities for competition across the supply chain are maximised for the benefit of consumers and taxpayers.

The IWG identified a number of issues for consideration. The IWG's final report is available on the [website](#) for your information.

The issues identified by the IWG informed the development of the PLAC's Terms of Reference, and form the basis of the PLAC's work plan, both of which are available on the [website](#). I note that many of your terms of reference are important areas in which I am leading PLAC to develop options for the Government to consider.

Thus far, the reconstituted PLAC has met three times and discussed the importance of adequate consultation and transparency in our work. Communiques from those meetings are also available on the [website](#).

While I cannot comment on the historical basis of the prostheses listing process, I am of the opinion there is an opportunity and the need for change. I am confident that the new membership of PLAC will support this reform work and are committed to bringing greater transparency and rigour into the processes.

Yours sincerely

Professor Terry Campbell  
Chair  
Protheses List Advisory Committee