

Methodology for estimating the effect of changes to the Pathology Services Table

Ended Item

If an item is deleted from the Pathology Services Table, the previous full financial year benefit is used to estimate the benefit impact of removing the item. For example, if item 65001 had total benefit of \$1,000 in 2001-02 and the item ceased in 2002-03, then the benefit effect of ending the item is estimated to be \$1,000.

New item

If a new item is added to the Pathology Services Table, the following full financial year benefit is used to estimate the benefit impact of adding the item. For example, if item 65002 was introduced in 2002-03 and the total benefits for item 65002 in 2003-04 was \$1,400, then the benefit effect of introducing the item is estimated to be \$1,400.

Item Description Changes

If an item description changed in a financial year, the difference in benefits in the full financial year before the change and the full financial year after the change are used to estimate the effect on benefits.

For example, if item 65003 had

- a) total benefits of \$1,000 in 2001-02 ; and
- b) the item description changed in 2002-03; and
- c) total benefits were \$1,200 in 2003-04

Then the benefit effect of the amended description is estimated as $(\$1,200 - \$1,000) = \$200$.

Schedule Fee Changes

The percentage increase in the schedule fee is used to calculate the effect on the following financial year benefits.

For example, if item 65004 had

- a) total benefits of \$1,000 in 2001-02; and
- b) the schedule fee changed from \$10.00 to \$11.00 (or 10%) in 2001-02; and
- c) total benefits were \$1,100 in 2002-03

Then the benefit effect of the schedule fee increase is estimated to be 10% of the \$1,100 benefit in 2002-03, or \$100.

Impact of Coning - Examples

A. In 2001-02 a GP referred a patient for the following four pathology tests:

66001 - Benefit \$30

66002 - Benefit \$25

66003 - Benefit \$20

66004 - No benefit paid because Pathology coning limits payment to the three most expensive tests

Total Episode Benefits - \$75

B. In 2002-03 the benefit for item 66003 is reduced from \$20 to \$10

In 2003-04 a GP referred a patient for the following four pathology tests:

66001 - Benefit \$30

66002 - Benefit \$25

66003 - No benefit paid because Pathology coning limits payment to the three most expensive tests

66004 - Benefit \$15

Total Episode Benefits - \$70

Comment – In this example, there was a \$10 reduction in benefit for item 66003 but the episode benefit only reduced by \$5 because Pathology coning limits payment to the three most expensive tests.