

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2015 - 2016, 10 February 2016

Ref No: SQ16-000078

OUTCOME: 3 - Access to Medical and Dental Services

Topic: MRI and PET

Type of Question: Written Question on Notice

Senator: Gallagher, Katy

Question:

- a) What is the annual cost to Medicare for a new full licence for an MRI machine?
- b) What is the annual cost to Medicare for a new full licence for a PET scanner?

Answer:

a) In 2014-15, the average fully Medicare-eligible MRI unit provided around 3,864 services at a total cost of approximately \$1.5 million in Medicare rebates.

There are a number of factors that might influence volumes (and therefore costs) associated with MRI units, which includes requests for MRI services, equipment location, proximity to referring doctors, and competition.

It is noted that there are currently no processes to increase the number of Medicare-eligible MRI units.

b) Unlike MRI, there are no eligibility restrictions (e.g. licences) for positron emission tomography (PET) scanners, which provide Medicare-funded services. All providers of Medicare-funded PET services must meet the requirements which are outlined in the *Health Insurance (Diagnostic Imaging Service Table) Regulations*.

There are a number of factors that might influence volumes (and therefore costs) associated with PET units, which includes requests for PET services, equipment location, proximity to referring doctors, and competition.

In 2014-15, approximately 58,500 Medicare-funded PET services were provided at a cost of \$53.1 million. During this time there were around 50 Medicare eligible PET scanners operating within Australia and on this basis, the average annual cost is around \$1 million per scanner.