

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2013-14, 5/6 & 7 June 2013

Question: E13-013

OUTCOME: 3 - Access to Medical Services

Topic: Rebate Shortfalls

Type of Question: Written Question on Notice

Senator: Boyce

Question:

Why are a number of procedures considered essential for cancer diagnosis and treatment, such as MRI's or targeted MRI led biopsies of tumours NOT rebatable under current Medicare provisions?

Answer:

There are currently a range of Medicare Benefits Schedule (MBS) items for Magnetic Resonance Imaging (MRI) services. However, MRI is an expensive and sophisticated technology and the Australian Government needs to ensure that public funding is provided in a fair and financially responsible manner. Since its introduction on the MBS in the late 1990s, MRI has been carefully managed through provider, requester and item level restrictions. These controls help to support the provision of high quality, safe and cost-effective health care for all Australians.

Currently, for a patient to receive a Medicare benefit for an MRI scan, the scan must be:

- listed on the MBS;
- requested by a specialist medical practitioner or consultant physician or general practitioner for selected indications; and
- performed on a Medicare-eligible MRI unit by a Medicare-eligible provider.

The Medical Services Advisory Committee (MSAC) was established to undertake rigorous and transparent appraisals of new medical services before they are considered for public funding. The MSAC is an independent scientific committee comprising individuals with expertise in clinical medicine, health administration, health economics and consumer matters. The MSAC advice about whether a medical service should be publicly funded is based on an assessment of its safety, effectiveness and cost effectiveness, using the best available evidence. This process ensures that Australians have access to medical services that have been shown to be safe and clinically effective, as well as representing value for money for both patients and taxpayers.

In order for Medicare rebates to be payable for an MRI procedure, an application must be made to the MSAC for assessment. Applications to MSAC are generally made by individuals and expert groups who consider that evidence exists to support public funding for a medical service. Anyone concerned that MRI services that are considered to be clinically necessary and that are not currently listed on the MBS are encouraged to submit an application. MRI services which are currently listed on the MBS are those which have been assessed as being both clinically and cost effective.