

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

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

Question: E13-120

OUTCOME: 3 - Access to Medical Services

Topic: Child Dental Benefits Schedule

Type of Question: Written Question on Notice

Senator: Fierravanti-Wells

Question:

What was the process for determining the rebates to apply under the Dental Benefits Schedule for the Growing Up Smiling [i.e. the Child Dental Benefits Schedule] scheme? That is, what stakeholders were consulted, how and when? What factors were considered and how was the final rebate for each item number determined? Who made the decision on the final rebate to apply - was it a recommendation of the Department of Health, Department of Finance, Department of Human Services?

Answer:

The Department of Health and Ageing undertook targeted consultation with industry and broader public consultation in developing the benefit amounts for Child Dental Benefits Schedule (CDBS) services.

The Department began consultation with the Australian Dental Association (ADA) on the development of the CDBS on 23 January 2013. The ADA provided written comment on the draft Dental Benefits Schedule on 11 February 2013 and participated in teleconferences on 19-20 February 2013. Further consultations with the ADA on other aspects of the CDBS design occurred in writing and via teleconference over April-May 2013.

The Department also held a formal public consultation process in May 2013. Letters were sent out to relevant industry providers and consumer bodies on 1 May 2013 and the public was invited to participate via an online consultation portal through to 17 May 2013. In total, 38 submissions were received and considered in the development of the CDBS Schedule of Services, including from the ADA.

Participants in the consultation were asked to consider the following factors for the rebate, as outlined in the public consultation paper (extract below):

There are some issues to consider in setting an appropriate level of fees, including:

- *the value of effort and services of providers, including the specific levels of effort required for child services and the marginal costs of multiple services (e.g. the use of step down fees for subsequent services of the same kind);*
- *Fees will be set at a rate that is sufficient enough to encourage bulk billing but also allow for a number of services per patient to be provided within the \$1000 cap;*

- *cost-effectiveness of the program and value-for-money for the Commonwealth and for patients;*
- *the potential out-of-pocket costs for patients;*
- *consistency for providers with other Commonwealth dental benefits programs;*
- *equity for different recipients of Commonwealth dental benefits; and*
- *scope for overuse and/or overly intensive billing of items.*

The final benefit levels for individual service items are set out in Schedule 1 of the Dental Benefits Rules 2013. The Rules were made by the Minister for Health on 24 May 2013.