Submission to the Medicare Benefits Schedule Review Taskforce Consultation

9 November 2015

Introduction

The George Institute for Global Health is working to improve the health of millions of people around the world by using innovative health research to target the leading causes of death and disability – chronic disease and injury.

Chronic diseases affect more than 1 in every two Australians with nearly half of avoidable hospitalisations attributable to chronic disease. These conditions are complex, lifelong and often require care by multiple providers across the healthcare sector. As such, the economic and social burden of chronic disease is set to increase, in line with Australia's ageing population and high rates of obesity and inactivity. Furthermore, Australian health spending per person is predicted to double by 2055.

While Australia's health system is among the world's best, there remains much room for improvement. Our health system is complex and often disconnected; with outdated models of care making it hard to navigate, for both patient and providers. The need to identify and prioritise whole-of-system improvements, based on robust clinical evidence, has never been greater; be it from the way healthcare is delivered to how Medicare reimburses doctors. The pathways between primary, acute and specialist care need to work together, and consistently, across the Australian healthcare system.

The MBS Review, alongside the Primary Care Review, is a critical component of a long overdue need to identify whole-system 'fixes' that can ensure our health system fulfils the five principles of Medicare – simplicity, affordability, universality, efficiency and access – while facilitating effective prevention and treatment of chronic disease and injury for all Australians, particularly for disadvantaged groups.

The George Institute commends the Government on undertaking the MBS Review, in particular that the process is clinician led and is inclusive of a broad range of sector stakeholders. We wish to make the following comments in response to the MBS Review Consultation paper:

A whole system vantage point

- We support the notion that some parts of the MBS are out of date and that ***a review of the MBS is required to ensure that all Australians have access to affordable, high-quality, evidence-based healthcare***. It is critical that the MBS be reviewed on a regular basis, be evidence-based and that any resultant changes uphold the principle of equity within the Australian health system with an emphasis on people with chronic and complex conditions and those who are significantly disadvantaged in access and/or outcomes. Furthermore, the MBS Review must be done from a whole-system vantage point. This is essential to ensure that improvements, from this or subsequent MBS reviews, contribute to integrated healthcare delivery across sectors, regionally and nationally, and in consideration of other priority areas of reform and critical system levers. The MBS review should contribute to minimising disparities that compromise the delivery of optimal healthcare to all Australians.

- We support the ***imperative of the MBS Review to disinvest in interventions that are ineffective, inefficient or unsafe*** and recognise that this is crucially important in identifying the areas of waste and inefficiency in the current MBS schedule. We also

recognise that technology has made some interventions more readily and cheaply deployed and that some reductions in reimbursement may be appropriate while other evidence-based interventions may require more significant funding. A general problem is that the MBS is an uncapped funding program without a mechanism to delist items on an ongoing basis. The current taskforce review only addresses part of this problem. We believe a more comprehensive, priority driven agenda that institutionalises a process of de-listing items on the basis of robust cost-effectiveness evidence is needed. This could for example be achieved by pairing decisions around listing MBS items with decisions to disinvest or delist. Furthermore this would be applied to not only unsafe or ineffective procedures, but also those that are found to not be cost-effective. This distinction is crucial. It means addressing the more difficult challenge of de-funding procedures that may well be effective and confer benefits to patients, but cannot be funded for reasons related to value for money. The current mechanism for assessing the cost-effectiveness of potential new MBS items compared to established MBS items can help us readily identify potential candidates for disinvestment (i.e. comparators used in the cost-effectiveness evaluations). The current listing process as such provides us with a strong basis for this institutional reform.

- We support the notion that the MBS should be used actively to guide ***quality medical practice***. Currently not all chronic diseases are equally supported by the MBS, including for some of our leading causes of death and disability such as respiratory conditions, back pain, stroke and falls in older people. Historically, the MBS has rewarded procedural interventions more substantially than cognitive, consultative processes which are the centrepiece of evidence-based care for people with chronic disease. This imbalance should be addressed in the Review. Additionally, the MBS disproportionately focuses on services provided by medical practitioners with very little consideration of cost-effective, evidence-based services delivered by other health professionals. Integrated, quality healthcare for people with chronic disease requires health professionals with many different skills.

- To improve efficiency, the MBS Review should consider the means by which the MBS could improve chronic disease management. Possibilities include incentivising or de-incentivising certain practices, capitalising on the wider non-medical workforce and ensuring routine clinical practices that are critical to prevent and treat chronic conditions but not currently MBS-claimable are considered in the review. Most importantly, the current MBS has little direct support for primary or secondary prevention services and does relatively little to encourage quality improvement programs. In addition to facilitating best practice for chronic disease, the MBS should appropriately reward care that improves the uptake of preventative interventions, particularly those that help prevent or minimise the impact of chronic disease, such as maintenance of physical activity and healthy weight, and minimising tobacco, alcohol and drug abuse.

Evidence for modern healthcare

- We believe that MBS items, and as such the MBS Review, ***should contribute to existing or new data sources***, and be used to strengthen linkages between healthcare providers, in particular across preventative and acute care services. Such data linkages will enhance opportunities for clinician-led research and streamlined care. We believe it

is essential to enhance access and integration of the rich sources of data available in our current MBS, PBS and state health databases, to best inform public health policy, to ensure chronic conditions can be effectively managed across the health system and to contribute to a 'learning-health system'. The MBS Review provides an opportunity to look at how to leverage the MBS mechanism to gather crucial evidence to guide modern healthcare, ensuring appropriate care is identified and inappropriate interventions are avoided, and thus deliver greater efficiencies across the health system. To not do so would be a missed opportunity.

- Ongoing review of the MBS will require ***ready access to an up to date catalogue of best evidence on tests and treatments***, which may prove challenging given the rapid growth in research evidence. The MBS Review should consider investment in the development of databases and automated systems to systematically catalogue, independently appraise and synthesis evidence for use in rapid reviews to guide decision-makers. PEDro, the Physiotherapy Evidence Database that contains 26,000 physiotherapy trials provides an example for consideration. Moreover, in the ongoing review of the MBS, identified gaps in evidence could be used to form the basis of future NHMRC and MRFF funding opportunities.

Conclusion

Chronic disease and injury pose the greatest challenge to the health of Australians. We urgently need to work out what an optimal, sustainable 21st century healthcare system looks like, and which reforms will best serve the needs of patients and ensure equity and access to care.

The MBS plays a critical role in the care Australians receive, and must remain affordable, effective and equitable for the future. Thus the MBS Review must consider how reforms can efficiently contribute to an integrated, sustainable health system that prevents and treats our biggest burdens of disease and injury. Such reforms extend beyond listing and de-listing MBS items to include capitalising on the broader healthcare workforce, creating a learning health system, and ensuring innovative approaches and funding levers encourage best practice healthcare. Furthermore, the MBS Review provides an ideal opportunity to enhance the quality and accessibility of clinical data in Australia so as to contribute to future innovations in healthcare.

The George Institute welcomes the opportunity to make this submission and encourages the MBS Review Taskforce to re-think how the MBS operates for the benefit of all Australians, today and in the future.

About The George Institute for Global Health

The George Institute conducts targeted, innovative health research aimed at reducing the burden of leading causes of death and disability in Australia and around the world and to ensure all Australians have access to safe, effective. For the past 16 years our research has influenced medical guidelines and changed ways of thinking about some of the most common medical treatments around the world. Since its establishment, The George Institute has grown to have a global research program with major centres in China, India and the United Kingdom, and offices around the world, and has over

500 staff and 50 ongoing research projects. It has raised over $550 million for global health research, and is affiliated with the University of Sydney, Peking University Health Science Centre, and the University of Oxford. For the fourth year running The George Institute was listed in the SCImago Institutions Rankings as one of the world's top 10 research organisations for impact. In addition, the National Health and Medical Research Council's (NHMRC) 'Measuring Up Australia 2013' report ranked the George Institute first among Australian research organisations.

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