Prescribed List – Consultation Paper 10

General Use Items - utilisation, expenditure and integrity

Overview

On 1 May 2024, the Minister of Health and Aged Care announced that general use items (GUI) would be retained on Part D of the Prescribed List (PL). This decision follows consistent feedback from multiple stakeholders that removing the GUIs from the PL without an alternative funding arrangement would have negative clinical implications and potential adverse outcomes for patients.

The announcement comes 2 years after the initial planned removal of the GUIs from the PL, and a year after insurers and hospitals were requested to negotiate alternative funding arrangements.

We acknowledge the concerns raised by some stakeholders upon the announcement to retain GUIs on the PL. Specifically about the increasing growth in use per episode of care, and the resulting expenditure for these products. It is important to consider potential mechanisms to address these concerns on a system basis i.e. not just correction of individual listing errors.

The department is undertaking further consultation and engagement to identify ways in which these concerns might be addressed – both regulatory and non-regulatory.

What we invite you to do

We ask that you provide practical suggestions about ways to improve the integrity of the settings of the PL as well as mechanisms to ensure any increased growth in the use of GUIs per episode of care are associated with improved patient outcomes.

In considering your input we ask that you provide as much detail and evidence as possible. Please ensure your suggestions remain in the context of the PL and are reasonable, pragmatic and within the authority of the department.

Questions

Integrity

1. What do you see are the key areas of concern for the integrity of the PL settings in the context of the GUIs?
2. If you were to prioritise options for improved integrity, what order would deliver the most meaningful outcomes?
3. What are the potential system based-actions that could be taken to improve integrity?
   1. By who and when?
   2. How would you suggest the success of these actions are measured?
   3. What are the likely consequences – positive/negative and who would they affect?

Utilisation and growth in expenditure

1. Are there specific sub-categories of GUIs on the PL that represent the concerning areas of growth in utilisation per episode of care that are driving increases in benefit expenditure?
2. Are there specific types of procedures/episodes of care that represent higher growth in utilisation based on standard of care/clinical practices?
3. If there are concerns that the growth in use is not related to clinical need, how is this determined/measured? Who can validate this?
4. What system-based mechanisms are either in place or need to be put in place to address this problem?
   1. Would these mechanisms be different if there was a demonstrated clinical need?
   2. Would a national index that benchmarks the usage per episode of care (based on the IHACPA bundled benefit work) provide a reasonable measure from which to determine actions to adjust the PL benefits per grouping?
5. How would you suggest the success of these actions is measured?
6. What are the likely consequences – positive/negative and who would they affect?

Other matters

1. Are there other areas of concern with the retention of GUIs on the PL that need to be considered?