

# Australian Medical Association Limited

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**Transcript:** AMA President Professor Brian Owler, Radio National, 29 December 2015

**Subject:** Medicare Benefits Schedule

SARAH DINGLE: Brian Owler is a neurosurgeon and the president of the Australian Medical Association. Welcome Brian Owler.

BRIAN OWLER: Good morning.

SARAH DINGLE: The Minister Sussan Lee this week announced the proposed removal of 23 MBS items. What's the AMA's response?

BRIAN OWLER: Well the AMA has supported the MBS Review right from the outset, right from almost the beginning of the year, but it was on the proviso that there weren't going to be cuts in terms of access to patient services, we want to be able to make sure that patients can still access all the services that they need and that it wasn't just a cost cutting exercise. Now what we've seen really is just the first group of working groups on the MBS Review have announced the recommendations for the [indistinct] of the Taskforce and they then have to be shared back to the rest of the medical community and that's going to be the stage that essentially we're up to now.

SARAH DINGLE: But the review says these first 23 items earmarked for removal are obsolete or no longer clinical best practice, so why not pluck the low-hanging fruit?

BRIAN OWLER: Yes and some of those items essentially may well be obsolete and that will be up to the relevant specialist societies and colleges to provide feedback for the MBS Taskforce and where there are alternative items that can be used instead and that's quite an appropriate thing to do. Yes of course not going to save Medicare any money doing that because essentially a different item number will be used instead. I guess what we do have concerns about and what we've been trying to point out to people is that the scheduling's all about the patient's rebate, it's about what they get back from Medicare or the Government when they undergo a procedure or test. Now there are some proposed changes which will essentially mean that items can't be used in conjunction with various procedures and that may well raise the out of pocket costs that patients are charged.

SARAH DINGLE: But if these items are no longer clinical best practice, I mean should they be subsidised by government anyway? Isn't that what this review is aiming to do? There's 5700 items on the MBS and not all of them are the best idea for patients.

BRIAN OWLER: No and where there's evidence to support that we've got no problem with that, but that's not been outlined by the announcement yesterday. All that's been announced is 23 items which is actually a very small number. Now some of those really are...

SARAH DINGLE: It is just the start of this review though.

BRIAN OWLER: Also...and that's what I've been saying. So probably about 80 different working groups that have been flagged to go through under this two year process. This is just the first six group and they've identified a small number of items, some of which other items already [indistinct] and can be substituted but others will if they come off the schedule and it's not about best practice, it's actually about whether it should be included on an item that's already on the schedule as part of a procedural ready(\*) and that's one of the ones that's most commonly used. So that 23- group of 23 items is responsible for 54,000 episodes of care. Now that's quite a lot of services and as you said in your introduction \$6.8 million. Now some of those costs will be offset by using a different item but some of them will undoubtedly be passed on to patients.

SARAH DINGLE: So you've expressed concern that this is a cost cutting exercise, what evidence is there to suggest that that's the case?

BRIAN OWLER: Well the Minister has said they are looking for savings. It's not a secret that this is about trying to find savings in the health system. Now we've just had the Government announce over \$600 million of cuts to pathology and diagnostic imaging in terms of bulk billing incentives in the MYEFO this month. So when we look at the Government's form on trying to cut costs in healthcare, whether it's been through the Co-payment, whether it's been the dramatic cuts to the public hospital system, I think [indistinct]- can be a little bit anxious about the Government's motives and particularly when it comes to cutting healthcare costs.

SARAH DINGLE: But Medicare and items on the MBS, I mean the MBS has just been added to over years and only in recent years has there been an evidence test applied to items added to the MBS to see if they deserve to be part of the MBS. So you agree that there are items on the Medicare Benefit Schedule that probably shouldn't be there, what would you get rid of?

BRIAN OWLER: Well that's the point, it's not up to me, my personal opinion about what I would get rid of ...

SARAH DINGLE: [Interrupts] But you're the head of the AMA, you're a neurosurgeon, doctors have been considering this for a long time. What would you cut?

BRIAN OWLER: Well it's a matter of going through a process. It's not a matter of predetermining the outcome of the review that we've seen from the Department and from the Minister herself. It's not a matter of me announcing that I think this should go, it's a matter for the working groups to actually review the evidence, and go through and come up with their recommendations - which then have to be socialised with patient groups and also the rest of the medical profession as well. Now, MBS reviews are nothing new, in fact since 2009 the AMA has been involved with 26 different MBS reviews. So this has been an ongoing process. Many of the items that are on the MBS of course might not have been through the MSAC process, but we don't need to go through that process to say that general anaesthetic, for instance, when undergoing a major surgical procedure needs to have new evidence to support it being maintained on the MBS. So I think when people get carried away about saying that things haven't been through an evidence-based process on the MBS, you've got to remember that not all of the items actually need time to go through that process.

SARAH DINGLE: But you have concerns that some things, for instance general anaesthetic, is being overused?

BRIAN OWLER: No, anaesthetic's not being overused. I mean, this is something that's required for any major surgical procedure, it's part of normal clinical practice. But it doesn't mean it has to [indistinct] an evidence review through the MSAC process.

SARAH DINGLE: What involvement has the AMA had with the Government and the taskforce leading this review? It is a clinician-led taskforce.

BRIAN OWLER: And that was one of the stipulations that the AMA had about supporting such a review at the outset, that it had to have clinicians leading the review. But I've had discussions with the Minister right from the outset of I guess thinking about this review, we've talked to Bruce Robinson right from the outset, particularly when the review was starting, we've emphasised the importance of engaging with specialist societies and colleges in this process, something which was really missing in the start of this process I've got to say. So, yeah the AMA's been involved all the way along; we've met with Department officials, we've met with the Minister, and we've got a number of people who are involved with the taskforce itself.

SARAH DINGLE: I note when the cuts announced last week came out there was a very strong response by doctors saying that there would be material protesting these cuts to radiology and pathology in many clinics, is that correct?

BRIAN OWLER: Well that's right. I mean that's had absolutely no discussion with pathologists or radiologists about those changes, certainly no discussion with the AMA. They were purely financial cuts announced as part of MYEFO, driven I believe mainly through Treasury and finance.

SARAH DINGLE: So will the AMA be pursuing a similar approach in clinics across the country with these next rounds of proposed cuts, the 23 items, or as cuts come, will you have protest material in clinics around Australia?

BRIAN OWLER: No I think it's important to point out that this is quite a different process. I mean, we support a consultative process, so we will actually be involved in the consultation process that goes forward from here. So the recommendations have been announced, they will be reviewed by the relevant speciality groups, and the AMA will provide input as well to the Department that will go back to the taskforce, and eventually the Minister will then make a decision. So, it's just the beginning of a process. I mean the AMA is not just going to oppose cuts for the sake of it; where it can be supported by evidence, and where there's general agreement in speciality groups then absolutely, there's no problem with that. But what we don't want to do is just see cuts for the sake of it and make sure- we don't want to see patients being left high and dry where cuts are made, there's no substitute item that can be used - because remember if it's not on the MBS it's going to be very difficult for patients to access services. And that's what our concerns are going to be about.

SARAH DINGLE: Dr Brian Owler, we'll have to leave it there. Thank you very much.

BRIAN OWLER: It's a pleasure.

SARAH DINGLE: That was Dr Brian Owler, a neurosurgeon and the head of the Australian Medical Association.

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