

# **Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 2) 2004 No. 76**

## **EXPLANATORY STATEMENT**

### **STATUTORY RULES 2004 NO. 76**

Issued by the Authority of the Minister for Health and Ageing

*Health Insurance Act 1973*

*Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 2)*

Subsection 133(1) of the *Health Insurance Act 1973* (the Act) provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing all matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Act provides, in part, for payments of Medicare benefits in respect of professional services rendered to eligible persons. Section 9 of the Act provides that Medicare benefits shall be calculated by reference to the fees for medical services, including diagnostic imaging services, set out in prescribed tables.

Section 4AA of the Act provides that the regulations may prescribe a table of diagnostic imaging services, the amount of fees applicable in respect of each item and the rules for interpretation of the table. The *Health Insurance (Diagnostic Imaging Services Table) Regulations 2003* prescribe such a table.

The purpose of the Regulations is to amend the current table of diagnostic imaging services by making the following changes, as part of the ongoing management of the table:

- adding five new items;
- amending eight existing items;
- amending one existing rule; and
- applying a six percent fee increase for all Nuclear Medicine items specified in Group 14 of the table.

Medicare-funded diagnostic imaging services are managed through four five-year agreements between the Commonwealth (as represented by the Department of Health and Ageing) and the diagnostic imaging profession's key representative groups. The agreements, known as the 2003-2008 Quality and Outlays Memoranda of Understanding (MoUs), cover radiology, cardiac imaging, nuclear medicine and obstetric and gynaecological ultrasound. The MoU Management Committees, established to develop quality improvement strategies for diagnostic imaging services and to monitor Medicare outlays in accordance with the funding levels specified in each MoU, have reviewed the Regulations to ensure consistency with the provisions of the MoUs.

The Royal Australian and New Zealand College of Radiologists, the Australian Diagnostic Imaging Association, the Australian and New Zealand Association of Physicians in Nuclear Medicine, the Cardiac Society of Australia and New Zealand, the Australian Society of Anaesthetists, the

Australian Medical Association and the Health Insurance Commission have been consulted regarding the amendments.

Details of the Regulations are provided in the Attachment.

The Act specifies no conditions that need to be met before the power to make the Regulations may be exercised.

The Regulations commence on 1 May 2004.

## **ATTACHMENT**

### **DETAILS OF THE *HEALTH INSURANCE (DIAGNOSTIC IMAGING SERVICES TABLE) AMENDMENT REGULATIONS 2004 (No. 2)***

Regulation 1 provides for the Regulations to be referred to as the *Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2004 (No. 2)*.

Regulation 2 provides for the Regulations to commence on 1 May 2004.

Regulation 3 provides for Schedule 1 to amend the *Health Insurance (Diagnostic Imaging Services Table) Regulations 2003*.

#### **Schedule 1 - Amendments**

##### **Item [1] Schedule 1, Part 2 paragraph 28 (b)**

Rule 28 describes the meaning of "Amount" in item 61462. Item 61462 is a Nuclear Medicine imaging service described in Group 14 of the table. The fee for service for item 61462 is increased by an amount of six percent, together with all other items in Group 14 of the table as outlined in Item [17].

This item amends Rule 28 paragraph (b) by substituting the amount: of \$118.15 with \$125.25.

##### **Item [2] Schedule 1, Part 3, after item 55079**

Because of the relatively simple nature of a post-void bladder ultrasound procedure and the less time and effort involved than a full bladder ultrasound service, the Radiology (MoU) Management Committee has recommended specific items be used for this purpose rather than the existing, higher priced bladder ultrasound items.

This item inserts two new ultrasound services, 55084 and 55085, specifically for post-void residual bladder examination.

##### **Item [3] Schedule 1, Part 3, item 55118, subparagraphs (a) (i) to (iii)**

This item amends the description of item 55118 to reflect that pulsed wave doppler examination is not essential in every case, given the current machines used to perform this service. The amended item descriptor was developed in consultation with the Cardiac Society of Australia and New Zealand who are representatives on the Cardiac Imaging (MoU) Management Committee.

##### **Items [4], [5] and [6] Schedule 1, Part 3, item 55130, columns 2 and 3**

The Minister for Health and Ageing, the Hon Tony Abbott, has approved a Medical Services Advisory Committee (MSAC) recommendation to restrict intra-operative transoesophageal echocardiography (ITOE) to cardiac valve surgery (replacement or repair). Following discussions with the Cardiac Society of Australia and New Zealand, the Australian Society of Anaesthetists and the Australian Medical Association, new item 55135 was developed at the existing ITOE fee level of \$353.60. Consequentially, the fee for item 55130, which may continue to be claimed for all other ITOE indications it is currently claimed for, has been amended from \$353.60 to \$170, to allow data collection and evaluation of the item for further review by MSAC.

Items 4 and 5 amends the description of the service described in item 55130, column 2, to specify that the service is not associated with a service to which item 55135 applies and the fee, column 3, amended from \$353.60 to \$170.00. Item 6 inserts a new item 55135 and a fee of \$353.60. Item 55135 describes a service for the performance of intraoperative 2 dimensional real time transoesophageal echocardiography (ITOE) during cardiac valve surgery (replacement or repair).

**Items [7], [8], [9] and [10] Schedule 1, Part 3, items 56501, 56507, 56541 and 56547 respectively.**

The Department of Health and Ageing (the Department) recently became aware of a small number of radiology providers billing virtual colonoscopy using item numbers related to Computed Tomography (CT) of the abdomen and pelvis. The Department's view is that virtual colonoscopy is not eligible for a Medicare rebate and this view was endorsed by the Radiology (MoU) Management Committee at its meeting on 10 February 2004.

These items amend the descriptors for computed Tomography (CT) items of service 56501, 56507, 56541 and 56547 to reflect that they are not to be performed for the purposes of virtual colonoscopy.

**Item [11] Schedule 1, Part 3, items 59300 and 59303**

Items 59300 and 59303 are used to perform mammography of the breast(s) where there is a reason to suspect the presence of malignancy because of a family history or symptoms of malignancy on examination by a medical practitioner. Diagnostic imaging practices have raised concerns about whether a clinical request for a mammogram should result in a bilateral mammogram being performed as standard (item 59300). This is not clearly stated in the current item descriptors for 59300 and 59303. This item amends the descriptor for items 59300 and 59303 to better reflect the situation when each item should be used.

**Item [12] Schedule 1, Part 3, after item 63946**

This item inserts a new Subgroup 31 (*Scan of the pelvis and upper abdomen - for the further investigation of specified conditions*) and two Magnetic Resonance Imaging (MRI) items 63960 and 63963 for the staging of histologically diagnosed cervical cancer at FIGO stages 1 B or greater. MRI staging of proven cervical cancer is a new clinical application which the Medical Services Advisory Committee has recommended be publicly funded. The FIGO stages referred to in the item descriptors for 63960 and 63963 are international standard classifications of carcinoma from the International Federation of Gynaecology and Obstetrics.

**Item [13] Schedule 1, Part 3 - Amendment of fees.**

Expenditure for Nuclear Medicine has been trending below the agreed funding levels specified in the Nuclear Medicine 2003-2008 Quality and Outlays MoU since July 2003. The Nuclear Medicine Imaging (MoU) Management Committee recommended a fee increase to bring Medicare expenditure back towards the target, effective from 1 May 2004.

This item amends the fee for service for all items in the range 61302 to 61499 inclusive, by omitting the current fee and inserting a fee increased by six percent. The items of service are all services specified in Group 14, Nuclear Medicine Imaging.