



Consumers
Health Forum
of Australia

16 November 2012

Ms Christine McDonald
Secretary
Senate Finance and Public Administration References Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms McDonald

Supplementary submission: Inquiry into Medicare funding for Hyperbaric Oxygen Treatment

CHF welcomes the opportunity to provide a supplementary submission following the public hearing of the Inquiry into Medicare funding for Hyperbaric Oxygen Treatment (HBOT) for chronic non-diabetic wounds on Monday 12 November 2012.

The Consumers Health Forum of Australia (CHF) is the national peak body representing the interests of Australian healthcare consumers. CHF works to achieve safe, quality, timely healthcare for all Australians, supported by accessible health information and systems.

Our supplementary submission to the Inquiry includes:

- CHF's response to the Question on Notice (QON) from Senator Fierravanti-Wells;
- CHF's response to the QON from Senator Xenophon;
- Additional comments about the Medical Services Advisory Committee (MSAC) process; and
- CHF's response in relation to comments made about CHF during the public hearing.

Response to QON from Senator Fierravanti-Wells

Senator Fierravanti-Wells requested that CHF outline who CHF consulted with in forming our position. As stated at the public hearing, in the short timeframe available, CHF was not able to canvass our members on the specific issue of withdrawal of Medicare funding for HBOT for chronic non-diabetic wounds. We have therefore drawn from recent consultations with consumers on Health Technology Assessment and the Medicare Benefits Schedule (MBS) to form our position.

In particular, we have drawn from three main consumer consultations conducted since June 2009:

- In 2009, CHF was contracted by the Department of Health and Ageing (DoHA) to consult with consumers and provide consumer input to the Health Technology Assessment Review. CHF's consultations included an information paper, focused teleconferences and a national forum to obtain the views of CHF members¹.
- In 2010-11, CHF was contracted by DoHA to undertake the *Consumer Input into the MBS Quality Framework Project*, which aimed to ensure consumer perspectives were adequately and effectively represented for consideration in the development and implementation of the proposed MBS Quality Framework. This project, conducted in two stages, involved development and distribution of two information papers, two national consumer workshops, eight jurisdictional consumer consultation workshops and a consultative teleconference.²
- CHF is currently funded by DoHA to undertake the *Medical Benefits Division Policy Project*. This project, which commenced in 2011 and will conclude in 2013, aims to facilitate consumer input into the work of the Medical Benefits Division, to develop resources to make the MSAC process clearer to consumers, and to support consumer representatives on relevant committees within the Division (including MSAC sub-committees). A consumer consultation was conducted in August 2012 to seek the views of CHF members on the process for adding items to the Medicare Benefits Schedule (MBS).³

It is worth noting that these three consumer consultations occurred within the context of major changes to drive a new focus on evidence-based assessment, which have led to MSAC's current process. These include the Health Technology Assessment Review in 2009, which recommended that MSAC strengthen and streamline its operations and improve the flexibility of its regulatory processes; the implementation of the MBS Quality Framework announced in the 2009-10 Budget, which led to changes in MSAC's governance structure; and the implementation of the current Comprehensive Management Framework announced in the 2011-12 Budget, which led to an expanded scope for MSAC to assess new, as well as existing, treatments.

The findings from these consumer consultations indicated that consumers are supportive of an independent, evidence-based process to assess possible public funding for health services, medications and technology. The findings also indicated that consumers are supportive of a clear and transparent mechanism to remove funding from health services, medications and technology which have become unsafe or do not demonstrate a clinical advantage over existing treatments. On this basis, CHF stands by the position we have taken in this Senate Inquiry to support MSAC's decision to withdraw Medicare funding on the basis of sustained and insufficient clinical evidence for this treatment.

¹ CHF notes that during the hearing, Senator Ryan requested details of funding for this project. CHF received funding of \$68,000 (excluding GST) to undertake this work. A report on the outcomes of these consultations is available at <https://www.chf.org.au/pdfs/rep/rep-568-HTA-Review-16Dec09.pdf>

² A report summarising outcomes from consultations in the first stage of the project is available at <https://www.chf.org.au/pdfs/chf/MBS-Quality-Framework-Consumer-Perspectives-Report-FINAL.pdf> A report summarising outcomes from the second national workshop, held in the second stage of the project, is available at <https://www.chf.org.au/pdfs/chf/CHF-Second-National-MBS-QF-Workshop-Report.pdf> Further reports are also available on request.

³ A report summarising the outcomes from this workshop is available at <https://www.chf.org.au/Medical-Benefits-Policy-2012-2013-activities.php>

Response to QON from Senator Xenophon

Senator Xenophon requested that CHF consider whether it was possible that ‘defects or deficiencies’ in the MSAC process may have led to a ‘less than robust decision’ to withdraw funding for HBOT for chronic non-diabetic wounds.

In particular, Senator Xenophon requested that CHF reconsider its position in light of the findings of two particular studies; the 1994 study by Hammarlund and Sundberg, *Hyperbaric Oxygen Reduced Size of Chronic Leg Ulcers: A Randomized Double-Blind Study* and unpublished data from the 2011 Australian and New Zealand Hyperbaric Medicine Group (ANZHMG) Wound Care study.

CHF notes that Senator Xenophon’s QON actually relates to the interpretation of evidence, rather than an analysis of MSAC’s process. As stated at the public hearing, CHF does not have specific expertise in health technology assessment. Our support for MSAC’s decision to withdraw Medicare funding is based on the fact that there had been four reviews over 11 years, and each time, MSAC consistently reached the same conclusion that there was insufficient evidence to support the continued use of HBOT for chronic non-diabetic wounds over conventional forms of treatment, even when taking new evidence into account. Furthermore, this was the same conclusion reached by the National Health and Medical Research Council (NHMRC) after being tasked by the Department of Health and Ageing to undertake an independent review of MSAC’s approach and decision.

CHF notes comments by the Chair of MSAC, Professor Robyn Ward, that MSAC’s approach to assessing evidence is consistent with international best practice, the NHMRC and the Pharmaceutical Benefits Advisory Committee (PBAC) and, accordingly, CHF supports the assessment methodology undertaken by MSAC.

Additional comments about the MSAC process

CHF is concerned that even after the public hearing, a number of areas remain unclear about the process leading to the current decision to withdraw Medicare funding, including:

- the level of clarity of advice to applicants in relation to evidence requirements, and whether or not MSAC had given applicants a belief or expectation that a non-comparative study (such as the extended ANZHMG Wound Care study) would provide sufficient evidence to support public funding for HBOT for chronic non-diabetic wounds; and
- whether interim funding should have ceased and a decision made about MBS funding for this treatment following the period commencing in 2004 and ending in 2007, given that three years is the conventional timeframe allowed for interim funding.

CHF believes that applicants should be given clear direction about evidence requirements and clearer timeframes for interim funding. The weaknesses in MSAC’s former processes may have raised certain expectations about continued public funding for HBOT for chronic non-diabetic wounds. The impact of the withdrawal of public funding will be felt more keenly by industry, providers and health consumers given the length of time involved and the apparent lack of clear and directive feedback on evidence requirements.

However, CHF wants to make very clear that we do not accept that shortcomings in the previous process should influence MSAC's impartial and unanimous decision on the clinical effectiveness of this treatment. As noted above, MSAC processes have since been refined to ensure there is rigour in the assessment of both new and existing health treatments and procedures in regard to clinical and cost effectiveness. CHF does not believe that MSAC should make an exception and recommend continued funding for a treatment that has insufficient evidence to support public funding according to MSAC's assessment criteria, on the basis that the applicants believed that a non-comparative study was sufficient.

Given the relatively recent adoption of a new evidence-based approach, MSAC needs to be vigilant in not compromising its standards for evidence.

There are other anomalies in MSAC's current processes that should be worked through if this is to be a system that appropriately safeguards consumers against treatments that are not sufficiently supported by evidence to justify MBS funding. For example, when funding is withdrawn for an existing treatment, an assessment should also be conducted on any other treatments that are funded to treat the same condition. CHF welcomes the changes to the MSAC process that allow it to undertake reviews of currently funded services, but argues that the process for conducting reviews for an existing treatment could also be made more transparent. This would ensure that consumers and other stakeholders are able to access information about the circumstances that could trigger a review and potentially lead to removal of funding for a particular treatment. If removal of an item triggers a review of other items that treat the same condition, this would be apparent and would alert interested stakeholders that other items that do not meet current clinical and cost effectiveness requirements may not remain on the MBS.

CHF also believes there could be improved scope for consumer input into the assessment process. We note comments made by the CEO of the Australian Healthcare and Hospital Association, Ms Prue Power, in her evidence to the Committee that the consumer representative on MSAC was responsible for developing the consumer impact statement on the Public Summary Document relating to HBOT. CHF notes that the consumer impact statements in the Public Summary Document and Assessment Report are very brief, and there is no indication of whether consumers were consulted in their development. CHF has undertaken consumer consultations (outlined above) and provided advice to the Department about how consumer input to MSAC processes can be improved to ensure that a broad and thorough assessment of the range of consumer views is canvassed.

CHF's response in relation to comments made about CHF during the public hearing

CHF notes Ms Power's comments that the consumer impact statements were developed by 'a member of CHF'. Consumer representatives participating in MSAC and its committees are involved in these committees as *consumer representatives*. CHF nominates consumer representatives to these committees, *but they do not represent, nor do they speak on behalf of, CHF*.

CHF would like to respond to comments made by Ms Power in her opening statement to the Committee. CHF stands by its reference to the clinical experts on MSAC's assessment panel as having 'vested interests'. We note Ms Power's objection to this term on the basis that Drs Bennett and Smart work in the public health sector. It is accepted that medical professionals working in the public health sector have an interest in the funding of HBOT through the Commonwealth funded MBS for public sector patients, both for the health benefit of those patients and themselves as paid medical professionals. The term is not intended to be derogatory, but we consider that it accurately reflects the clinical experts' vested interest in the outcomes.

We look forward to the outcomes of the Senate Inquiry. Should you wish to discuss any aspect of these comments in more detail, please do not hesitate to contact me.

Yours sincerely

Carol Bennett
CHIEF EXECUTIVE OFFICER