



COPS submission to the Inquiry into the Health Insurance Amendment (Professional Services Review Scheme) Bill 2023


*Amends the Health Insurance Act 1973 to: remove the requirement for the Australian Medical Association to agree to the appointment of the Director of the Professional Services Review (PSR); amend consultation requirements for appointing other statutory office holders of the PSR to enable consultation with relevant peak bodies directly; establish the statutory office of Associate Director of the PSR; remove the requirement for the Chief Executive Medicare to consult with stakeholder groups prior to issuing a notice to produce documents; and make minor amendments to update the wording of provisions relating to the termination of certain appointments.*¹

The Council of Procedural Specialists (COPS) has examined the above Bill and makes the following points:

1. Medicare relies on the cooperation of medical practitioners:
 - a. The Medicare system has been developed in cooperation with the Australian medical profession and a considerable amount of unremunerated time has been contributed by the profession in the development of this unique item number coding system.
 - b. The complexities of Medicare rely on the ongoing cooperation of the profession and need to be interpreted within the context of a practical working environment.
 - c. It is therefore essential that the appointment of a PSR Director be undertaken carefully, since misuse or abuse of this authority could result in the unnecessary and unjust destruction of a professional reputation. The same applies to those using the director's delegated authority.
 - d. The veto power that was given to the Australian Medical Association (AMA) in regard to the appointment of a director of the Professional Services Review (PSR) was to ensure that whoever was appointed as PSR Director had the confidence of a significant body of medical practitioners in good standing. The VETO power has never been misused in any way.
2. COPS does not support opportunistic behaviour when claiming Medicare items by medical practitioners or others. Existing legislation has significant penalties for those who unreasonably and intentionally transgress accepted administrative rules.
3. COPS notes that *"The bill will provide for multiple associate directors to be appointed on a full or part-time basis which will allow for the recruitment of more wide-ranging medical expertise. **An associate director would be able to review inappropriate practice in the same way as the director and make relevant decisions such as whether to enter into a written agreement with a person under review or to refer them to a committee of their peers.**"*
4. COPS emphasises that it is critical that whoever fulfills this associate director role have the confidence of significant body of medical practitioners and a clear understanding of the complexities of medical practice and the MBS system itself.
5. COPS supports any improvements in the financial administration of any government programme including Medicare and the reduction of wasteful public expenditure.
6. In summary, in order to maintain effectiveness of Medicare as a rebate system, it will be essential for proposed legislation to allow for due process at all levels and for the PSR Director to maintain close consultation with the AMA, recognised medical groups and medical practitioners individually and have their confidence.

Please do not hesitate to contact COPS should you require further information on this important public safety issue.

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¹ [ParlInfo - BILLS : Health Insurance Amendment \(Professional Services Review Scheme\) Bill 2023 : Second Reading \(aph.gov.au\)](https://aph.gov.au/ParlInfo/bills/2023/2/Health_Insurance_Amendment_(Professional_Services_Review_Scheme)_Bill_2023/Second_Reading)