

Community Affairs Legislation Committee  
Department of the Senate  
PO Box 6100  
CANBERRA ACT 2600

**9 April 2010**

## **HEALTH INSURANCE AMENDMENT (PATHOLOGY REQUESTS) BILL 2010**

The National Coalition of Public Pathology (NCOPP) makes this submission to the Inquiry of the Community Affairs Legislation Committee into the Health Insurance Amendment (Pathology Requests) Bill 2010 to remove the requirement that a request for a Medicare eligible pathology service be made to a particular pathology provider. This change will allow a patient to take their pathology request to a pathology provider of their choice.

### **1. Summary**

NCOPP supports the policy principles that the measure seeks to promote. Informed patient choice is fundamental to a patient centred health system and giving patients more control over their health care. NCOPP has long advocated fair competition between pathology providers based on quality and cost of the pathology service to the patient. There are, however, genuine practical difficulties and operational matters that need to be addressed. The measure poses challenges for patients in making an informed choice, their treating doctors who request pathology as part of their care, and pathology providers who provide information and advice to inform appropriate, timely diagnosis and management of a patient. Effective implementation and management must be sensitive to the needs of patients, treating doctors and pathology providers and not compromise patient safety, quality and continuity of care. Sound information, education and communication strategies and system and process changes are required as well as identification and amelioration of potential risks and unintended consequences. It is from this perspective that NCOPP makes this submission.

### **2. About NCOPP**

NCOPP is the organisation that represents the interests and values of public pathology services in Australia. Our members are the major publicly owned and operated pathology services in each State and Territory. They provide comprehensive diagnostic and consultative services to general practitioners (GPs), medical specialists, other clinicians and their patients in Australia's public hospitals and some private hospitals, in community care settings and in the wider community across urban, rural and remote parts of Australia. More information about NCOPP is available at our website at [www.ncopp.org.au](http://www.ncopp.org.au)

### **3. Onus being Placed on Patient to Choose the Pathology Practitioner**

Firstly, it should be noted that, currently, some patients exercise choice of pathology provider by asking their requesting doctor to refer them to a particular pathology provider or by presenting the request form to

another pathology provider. With the latter, the pathology provider is supposed to contact the referring doctor to seek their agreement. This arrangement is not well known by patients or encouraged. In most cases, the requesting doctor agrees. It requires considerable work for the provider including following up with requesting doctor, documenting consent phone call and/or generating a new form from the requesting doctor. Systems and processes are not designed to handle these requests with problems occurring.

Secondly, the measure's design and implementation need to appreciate that not all patients will wish to choose their pathology provider and not all patients across Australia will have the same range of choices.

- Some patients will prefer to make their own decisions about their healthcare, others prefer to give the responsibility to their doctor while many will be somewhere between the two. A person's preferences for involvement may vary depending on their circumstances – e.g. how serious the medical situation is, whether they have a chronic condition.
- A range of factors is likely to influence a patient's choice of pathology provider. Convenience and their doctor's advice and preference will be key determinants for many patients while for others cost will be an issue as well. Loyalty to a local hospital and the public sector will be factors for some patients while others will prefer private sector services. Some patients will wish to be treated on the basis of medical knowledge and expertise, not sectoral alignment and political philosophies. Previous experience with a pathology provider (e.g. whether it was a good experience, the quality of the collectors, whether any discomfort) will be a factor for some.
- Their relative importance will vary across patients depending on their circumstances – e.g. age, socio-economic status, where they live in Australia, their health status, extent of involvement with health system, the nature of their health condition and whether they require frequent pathology testing.
- The Consumers' Health Forum (CHF) is conducting a project funded under the Australian Government's Quality Use of Pathology Program (QUPP) to identify issues of importance to consumers regarding pathology. It will give current information on and insights into these matters.
- Not all patients will have the same choices available to them – e.g. in terms of access to specimen collection centres, the number of pathology providers who service their area or availability of bulk billing or schedule billed services.

Thirdly, not all pathology tests are provided by all pathology services and some highly specialised, low volume, high cost tests are provided by a few laboratories nationally. Referral of tests from one pathology laboratory to another is part of the usual business of pathology service delivery and is recognised by Medicare. In the case of private inpatients of public or private hospitals, patient choice of pathology provider is also affected by private health insurance arrangements and associated preferred provider and gap cover arrangements. A pragmatic approach is required to dealing with patient choice and consent across the range of scenarios rather than creating a new set of requirements just for pathology.

Fourthly, choice of pathology provider is meaningless unless it is informed patient choice. The measure places responsibilities and obligations on all parties. Effective information, education and communication strategies are essential and require Government support. Efforts should be targeted to patients, to treating/requesting doctors and to pathology providers. NCOPP, in its submission to the Department of Health and Ageing, proposed a number of strategies, two of which we wish to highlight here.

- It is important to encourage discussion about choice of pathology provider during the patient consultation, as part of explaining what tests are being ordered and the reasons for them. This may include the requesting doctor giving a brief rationale of preferred pathology provider based on the factors relevant to the patient's best interests and asking the patient if they are happy with this and have any questions. For example, 'I would like to refer you to laboratory X because they have a good service, there is a collection centre nearby, they notify urgent results and they bulk bill'; or 'I would like to refer you to laboratory Y because they have a good service, they make frequent courier calls, you have used them before and continuity of testing is important for monitoring your

condition, they have a good pathologist consultation and advice service and they bulk bill'; or '.... they don't bulk bill but I think the extra cost is worth it'. Patients should also be advised about conflicts of interest associated with their doctors' recommended pathology provider.

- It is also important to give information to patients/consumers on their options including guidance on what's involved with each, factors to consider in making their choice, questions to discuss with their treating doctor and importance of keeping their treating doctor informed of their choice where they change their mind and take the request form to another provider or decide not to have any testing at all. Different patient scenarios should be used to highlight where continuity of testing and care are important considerations.

Lastly, competition in pathology has been based largely on service rather than price with efforts directed towards marketing services to requesting doctors in order to attract and retain referral streams. Some of these efforts may be redirected towards patients and result in unintended consequences.

#### **4. Possible Problems Arising between Unknown Referring Doctors and Pathology Practitioners – Resulting in Delays**

Systems and processes of requesters and pathology providers will need to be redesigned to accommodate the different patient pathways may choose and to overcome the problems experienced with the current ad hoc arrangement discussed above. This will require dealing with the issues surrounding where the patient does not advise their requester of their choice, or decides not to proceed with testing, and where and how the requester obtains the results. To address this problem, there should be a requirement for a pathology laboratory that receives a request from a new provider (whether patient or provider initiated) to have procedures and a reporting mechanism in place before accepting the specimen. Procedures should include knowledge of the doctor's preferred delivery destination, contact numbers for emergency phone and fax contact, and electronic download details if necessary. While this will become easier with e-Health and a 'connected' health system, they are not available at this time.

For blood transfusion services, the pathology request form is also often used as a request to provide a product for transfusion. It is essential that logistical arrangements are in place for the provision of blood products to the place of transfusion. For example, a pre-operative blood group sample needs to be sent to a pathology laboratory that supplies blood products to the place where the surgery will occur. Surgeons and anaesthetists need to know which laboratory has the group and hold sample so they may request transfusion products when required and they are available for use. Patients cannot be expected to be aware of these arrangements, however, taking a request to an alternative pathology provider may lead to potentially dangerous delays. Patient choice and consent in this scenario is not just a pathology matter. They are part of the broader system for the release of blood products, their availability and post transfusion surveillance.

#### **5. Problems Arising from Inconsistent Measurement Series and Reference Ranges**

There are differences in test methods and reporting units used across pathology providers for certain pathology tests. They are diminishing as a result of technological developments, enhancements and harmonisation. From a patient care perspective, these differences present problems where regular testing is required to monitor response to treatment and to assess relative change in the patient's condition over time. The main areas where this is a problem are tumour markers, serial endocrine markers and antenatal antibody testing where it is important to test the current patient sample with the previous sample to determine whether there is any real change in the titre.

As discussed in section 3 above, the importance of continuity of testing should be highlighted as part of the patient's consultation with their treating doctor and in associated information and education materials.

The requesting doctor should have in place a mechanism to compare results from different laboratories.

Such a mechanism should also assist requesting doctors to deal with those situations where patients are referred to specialists or may have periods of hospitalisation where pathology requests and reports are serviced by different providers.

Pathology laboratories in Australia should accelerate their efforts to harmonise reference intervals, reporting units and analytical methods. New Zealand is leading the way in this area. While it is hard work, it is doable.

**6. Potential Impacts on Arrangements between GPs and Pathology Providers Relating to Emergency and Out of Hours Contacts**

Proposal at Section 4 addresses this matter.

We would be pleased to discuss the matters raised in this submission with the Committee.

Yours sincerely

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