



19 July 2023

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Mr James Strickland
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Senate Standing Committees on Community Affairs
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Submitted by email: community.affairs.sen@aph.gov.au

Dear Mr Strickland

Australian Psychological Society Submission to the Inquiry into the Health Insurance Amendment (Professional Services Review Scheme) Bill 2023

The Australian Psychological Society (APS) welcomes the opportunity to provide a submission to the Senate Standing Committees on Community Affairs Inquiry into the Health Insurance Amendment (Professional Services Review Scheme) Bill 2023 (the Inquiry). As the peak body for psychology in Australia, we are dedicated to advancing the scientific discipline and ethical practice of psychology in the communities we serve. Our core mission revolves around enhancing the wellbeing of all in our society. We are informed by the United Nations Sustainable Development Goals, which champion inclusivity, social equity, and the empowerment of marginalised and vulnerable groups.¹ By advocating on behalf of our members and the community we strive to support meaningful reforms in Australian health and social policies and systems. Our overarching objective is to ensure ethical and equitable access for all to quality, evidence-based services that promote health and wellbeing through proactive measures, prevention, early intervention and treatment.

The APS understands that the Health Insurance Amendment (Professional Services Review Scheme) Bill 2023 implements changes arising from the recommendations of the *Independent Review of Medicare Integrity and Compliance* (the Philip Review).² In this submission, we are focusing on only two aspects of the proposed amendments, that is:

1. removing to remove the requirement for the Australian Medical Association to agree to the appointment of the Director of the Professional Services Review (PSR); and
2. removing the requirement for the Chief Executive Medicare to consult with stakeholder groups prior to issuing a notice to produce documents.

In addition, while acknowledging that specific Medical Benefit Schedule (MBS) item numbers are beyond the scope of the current Inquiry, the APS notes the recommendation from the Philip Review to undertake broader system reform to reduce non-compliance and the potential for fraud, and to inform policy change over time. Aligned with this perspective, we additionally propose further reform specifically aimed at streamlining the MBS, particularly regarding the provision of psychology services.

1. Appointment of the Director of the PSR

The APS supports the proposed legislative change aimed at upholding and strengthening the independence of the PSR scheme by removing the requirement for the Australian Medical Association to agree to the appointment of its Director. This change will work to improve the confidence of all registered health professionals subject to the PSR scheme and more broadly, ensure that all professions are represented equally.

¹ United Nations Department of Economic and Social Affairs. (2022). *Sustainable development*. <https://sdgs.un.org/>

² https://www.health.gov.au/sites/default/files/2023-04/independent-review-of-medicare-integrity-and-compliance_0.pdf

2. Consulting with stakeholder groups prior to issuing a notice to produce documents

While psychologists may not be frequently subject to Medicare compliance audits, it is a responsibility of peak bodies, as key stakeholder groups, to respond to, educate and support members of our professions regarding compliance requirements. Remaining informed when a member of the profession is required to produce documents ensures that we are able to do so.

The APS endorses a focus on education and training, including case studies, fact sheets, and appropriate advice from the Department of Health and Aged Care and Services Australia. However, peak bodies need to work closely with the relevant agencies and departments to ensure professions understand the MBS, compliant claiming requirements and where to seek further information and advice for their members in a timely manner. Anecdotal evidence from APS members points to contradictory advice being given via the Medicare provider line when information about claiming is sought. This has been especially challenging with recent changes associated with the COVID-19 pandemic, for example, with the extension, and then loss, of Better Access sessions and changes to telehealth item numbers.

The APS is concerned that removing the legislative requirement to inform stakeholder groups prior to issuing a notice to produce documents will impact the flow of information to these bodies and reduce their capacity to support and educate their members. We strongly suggest that if this mechanism of informing stakeholder groups is removed, that other, non-legislative processes be implemented to ensure that peak bodies will continue to be informed about non-compliance issues and concerns for their profession. Our preference, however, is that the legislation currently requiring consultation with key stakeholder groups remains in place as is.

3. MBS Item Numbers

In terms of the broader reform agenda for the Medicare system to promote greater compliance, and address non-compliance due to confusion or mistakes, the APS suggests streamlining the MBS, including a review of item numbers, explanatory notes and the systems through which practitioners access the MBS (e.g., MBS Online). As recognised in the Philip Review:

*The **MBS is complex**: while health practitioners typically claim a limited number of MBS items relevant to their specific practice, there are now around 6,000 Medicare items which are not always clear to navigate and interpret. Despite the fact that peak bodies of healthcare professionals continue to be engaged in the design of MBS items through MSAC and the MBS Continuous Review, changes occur to these items at a frequency which is difficult for individual practitioners to keep up with. Indeed, I am advised that some 3,000 Medicare items underwent some change over the last 2-3 years. In this environment, communication of changes to health professionals themselves needs to improve (p. 6).*

The APS agrees that communication and ongoing education with stakeholders needs to improve, especially with frequent and/or numerous changes to MBS items and item numbers as experienced by the psychology profession over the past few years. The APS Professional Advisory Service (PAS) frequently receives enquiries from members about educational improvements and compliance requirements – and most particularly when there have been recent changes or updates to MBS item numbers. For example, since January 2023, PAS has received 76 enquiries from members specific to Medicare billing issues. Unfortunately, the APS is not always well equipped to answer these queries due to a lack of timely information. Our data demonstrates that on average a response from AskMBS can take from two to ten weeks.

However, we suggest that reform needs to address the fundamental complexity and inaccessibility of the MBS as a key regulatory document. Information about the MBS is scattered across multiple sources (e.g., MBS Online, the Department of Health and Aged Care and Services Australia), while the text of the MBS is difficult to access via MBS Online without prerequisite knowledge item numbers and the structure of the Schedule – a particular problem when items are added or removed.

The experience of our members strongly suggests that making the MBS easier to use and understand would itself promote compliance and reduce unintentional non-compliance. Such reforms would also reduce the avoidable administrative burdens and stresses which are placed on practitioners, including psychologists. Each time there is a change to MBS items, the APS receives numerous queries from members who are seeking to do the right thing but are unsure of the impact of the changes to their practice. While the APS seeks to educate its members about the MBS and to provide corrective information as needed, we have also observed the emergence of multiple beliefs and approaches to MBS billing and compliance over time. We submit that the current level of ambiguity and confusion about the MBS – not just for psychologists – is the direct result of deficiencies in information design and communication. These problems need to be addressed through a thorough review of how practitioners interact with and understand the MBS.

The APS would therefore be pleased to work with the Department of Health and Aged Care, Services Australia and other stakeholders as part of any reforms aimed at improving the usability and interpretability of the MBS (including reviewing and streamlining psychology-related items and explanatory text). We would also be pleased to work with the PSR to ensure effective continuing communication and education to support and maintain the already high levels of provider compliance within the profession of psychology.

Thank you again for the invitation for the APS to provide a submission to the Inquiry into the Health Insurance Amendment (Professional Services Review Scheme) Bill 2023. We appreciate the opportunity to contribute to this important consultation.

Yours sincerely

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Chief Executive Officer