

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Budget Estimates 2011-2012, 30/31 May 2011

Question: E11-143

OUTCOME 9: Private Health

Topic: REVIEW OF HEALTH TECHNOLOGY ASSESSMENT

Written Question on Notice

Senator Adams asked:

What new initiatives has the Department implemented to streamline HTA processes since the review of Health Technology Assessment was completed?

Answer:

The *Review of Health Technology Assessment in Australia* (HTA Review) reported to the Minister for Health and Ageing on 18 December 2009 and was publicly released on 27 February 2010. The Australian Government agreed to implement 13 of the 16 recommendations of the HTA Review Report. The remaining 3 recommendations (relating to post market surveillance) are subject to further government consideration due to cost implications.

Work has commenced on all 13 recommendations accepted by the Government with phased implementation occurring from mid 2010 through 2011. Review recommendations due for delivery in July 2010 have already been implemented with the remaining recommendations due in 2011 on track to be completed as scheduled. The main initiatives implemented since the government's acceptance of the HTA Review are outlined below.

Central HTA website

The central Australian Government HTA website (www.health.gov.au/hta) was launched on 15 September 2010. This website enables effective communication of relevant information to stakeholders and improves access to policy and guidance for all Commonwealth HTA processes. It also provides links to all Commonwealth HTA websites.

HTA Access Point

The HTA Access Point (HTAAP) commenced operation on 15 September 2010. The HTAAP provides a single entry point for potential applicants seeking reimbursement of co-dependent technologies under the Medicare Benefits Schedule, Pharmaceutical Benefits Scheme and/or Prostheses List. The HTAAP streamlines the assessment and appraisal processes by coordinating responses from different advisory committees as required.

Medical Services Advisory Committee

The Medical Services Advisory Committee (the Committee) has undertaken extensive policy analysis and re-design to streamline its operations and restructure the Committee, with new governance arrangements and processes having commenced from 1 January 2011. This will reduce assessment timeframes and simplify processes for both the applicant and the Committee.

Prostheses List Advisory Committee

The Minister formally appointed the Prostheses List Advisory Committee (PLAC; previously known as the Prostheses and Devices Committee) on 4 October 2010 with its new terms of reference. The PLAC is now working to undertake a number of reforms to its arrangements to be delivered by the end of 2011, including accepting applications on a continuous basis, establishing and maintaining groups of products with similar clinical effectiveness and establishing and maintaining a single benchmark benefit for products in each group. Please refer to Question on Notice E11-144 for more detail.

Therapeutic Goods Administration

The Therapeutic Goods Administration has consulted on the issues regarding third party conformity assessment and the need to increase the assessment rigour of higher risk medical devices, and will release a final response paper detailing its proposed regulatory reform and legislative changes in mid 2011.

Procedural fairness and consistency

Procedural fairness and consistency are being implemented through the development of standard templates and documents that address a range of administrative issues including secretariat operating procedures and management of conflicts of interest. The Department is also finalising the scoping work to introduce an independent review mechanism in a consistent manner for its HTA processes (where necessary). The mechanism is expected to be operational from 1 January 2012.

The final recommendation to be implemented is the evaluation of the impact of the changes made to the Commonwealth HTA system as a result of the HTA Review. Planning will commence in late 2011, with evaluation expected to be completed during 2012-13.

Further information regarding the implementation of HTA Review recommendations can be accessed through the central website, which will continue to be updated as recommendations are implemented.