

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2015 - 2016, 1 - 2 June 2015

Ref No: SQ15-000510

OUTCOME: 2 - Access to Pharmaceutical Services

Topic: Atrial Fibrillation

Type of Question: Written Question on Notice

Senator: McLucas, Jan

Question:

1. Has the Department of Health done any work on the burden of disease caused by atrial fibrillation?
2. Are there any anticoagulant medications currently listed on the PBS?
3. If so, can the department please provide details of what they are, when they were listed and what the cost is to the government each year?
4. Is the Department aware of any representations made by any members of the federal parliament or state parliaments, regarding oral anticoagulant medications listed on the PBS? How many and whom from and have any steps been taken as a consequence of these representations?
5. Has any work been done by the department of the potential cost saving to the health system – particularly regarding avoidable hospital admissions and readmissions - by providing access to anticoagulant medications, to sufferers of atrial fibrillation?
6. Has the Minister asked the Department to do any policy work on improving patient access to catheter ablation as a treatment for atrial fibrillation?
7. If not, is the Department conducting any work in this context, based on expert advice that it has proven efficacy in treating and managing atrial fibrillation?
8. In the Department's consultations with stakeholders and or in correspondence it has received, has the department been made aware of any evidence of an increasing reluctance of private health insurers, to reimburse private patients and private hospitals for the full costs of catheter ablation procedures?
9. If so, have any steps been taken to address this issue?

Answer:

1. Atrial fibrillation is currently being quantified in the Australian Burden of Disease Study 2011. Estimates of the fatal and non-fatal burden are expected to be published in the first half of 2016. The Australian Burden of Disease Study 2011 is being undertaken by the Australian Institute of Health and Welfare with funding from the Department of Health.
2. Yes.
3. Pharmaceutical benefits Scheme (PBS)/Repatriation Schedule of Pharmaceutical Benefits (RPBS) listed medicines used in the treatment of Atrial Fibrillation and their PBS listing date are as follows:

Medicine	PBS listing date
Dabigatran	01/09/2013
Rivaroxaban	01/08/2013
Apixaban	01/09/2013
Warfarin	01/05/1964

PBS/RPBS listed medicines to treat Atrial Fibrillation and their cost to Government are as follows:

Medicine	2009-10	2010-11	2011-12	2012-13	2013-14
Dabigatran	0	0	0		\$94,241,787
Rivaroxaban	0	0	0	0	\$52,780,373
Apixaban	0	0	0	0	\$41,993,826
Warfarin	\$139,922,912	\$145,023,052	\$140,318,501	\$144,984,496	\$143,110,078

PBS/RPBS benefits and their cost to Government by date of processing from 11 July 2009 to 30 June 2014.

4. Information on any representations by members of parliament is not collated as a matter of course and therefore this information is not readily available. To search for this information would be an unreasonable diversion of resources.
5. The costs and savings associated with the listing of a drug on the PBS are considered as a part of the Pharmaceutical Benefits Advisory Committee (PBAC) evaluation process. These financial impacts were taken into account in the PBAC's considerations of dabigatran, apixaban and rivaroxaban (also referred to as New Oral Anticoagulants or NOACs). In addition to information submitted by the respective sponsors of these drugs to the March 2013 PBAC meeting, the *Review of Anticoagulant Therapies in Atrial Fibrillation* (commissioned in 2011 by the then-Minister for Health and Ageing, the Hon Nicola Roxon MP) was available for the Committee's consideration. The Review considered, among other things, the costs and benefits of optimising warfarin therapy and the safety and efficacy of new oral anticoagulants.
6. No.
7. The Department of Health is not currently conducting any work in this context.
8. The Department has been advised by stakeholders that some private health insurers are reluctant to pay benefits for the catheters used in cardiac ablation procedures. Cardiac ablation devices do not currently meet the requirements for inclusion on the Prostheses List.

Under the *Private Health Insurance Act 2007*, private health insurers are required to pay mandatory benefits for a range of prostheses that are provided as part of an episode of hospital treatment (or hospital substitute treatment) where a Medicare benefit is payable for the associated professional service (surgery).

There are more than 10,000 products on the Prostheses List including cardiac pacemakers and defibrillators, cardiac stents, hip and knee replacements and intraocular lenses, as well as human tissues such as human heart valves, corneas, bones (part and whole) and muscle tissue. The List does not include external legs, external breast prostheses, wigs and other such devices, only surgically implanted prostheses.

9. Some prostheses are listed on Part C of the Prostheses List such as cardiac event recorders and infusion pumps.

There are other funding mechanisms available for devices that do not satisfy the criteria for listing on the Prostheses List, such as contractual arrangements between private health insurers and the hospitals. In particular, private health insurers may offer ex-gratia payments for the use of certain devices and technology for patients who have appropriate insurance cover. Individuals requiring this treatment option are encouraged to discuss what reimbursement may be available to them with their insurer.

The Department is considering the inclusion of cardiac ablation catheters in Part C of the Prostheses List.