

**Senate Finance and Public Administration Standing Committee**  
**ANSWERS TO QUESTIONS ON NOTICE**  
**BUDGET ESTIMATES – 28 May 2009**

**Human Services Portfolio**

**Department/Agency:** Medicare Australia

**Outcome/Output Group:** Outcome 1 / Output Group 1

**Topic:** Cosmetic/plastic surgery procedures

**Senator:** Ryan

**Question reference number:** HS23

**Type of question:** Written, 28 May 2009

**Date set by the committee for the return of answer:** 10 July 2009

**Question**

**HS23:**

- a) Which cosmetic/plastic surgery procedures can be claimed under the Medicare Benefits Schedule (MBS) and under what circumstances?
- b) How many such procedures have been performed and what is their total cost?
- c) What is the cost to the MBS of each procedure?
- d) (a) Has the Department received any evidence or reports that Medicare rebates have been claimed for such procedures contrary to these restrictions? (b) If so, what action has been taken?
- e) How many cosmetic procedures are undertaken each year in Australia and in:
  - a) Victoria
  - b) New South Wales
  - c) Queensland
  - d) South Australia
  - e) Western Australia
  - f) Tasmania
  - g) ACT
  - h) NT
- f) What are the ten most-performed cosmetic procedures?
- g) (a) What regulatory controls exist over those performing cosmetic surgery? (b) What level of education, training and/or professional accreditation is required for those performing cosmetic surgery? (c) What, if any, level of ongoing training is required to continue to practice in this field? (d) How are individual practitioners and clinics registered?

- h) How does this regulatory regime compare to general practitioners and to members of the College of Surgeons and College of Physicians?
- i) Is safety data collected regarding cosmetic surgery procedures?
- j) How many complaints have been received per year over the last two years, against cosmetic surgeons in:
  - a) Victoria
  - b) New South Wales
  - c) Queensland
  - d) South Australia
  - e) Western Australia
  - f) Tasmania
  - g) ACT
  - h) NT

**Answer**

**HS23:**

- a) The Medicare benefits arrangements provide financial assistance towards medical expenses for clinically relevant services rendered by qualified medical practitioners. A clinically relevant service is a service rendered by a medical practitioner that is generally accepted in the medical profession as being necessary for the appropriate treatment of the patient.

Medicare benefits are not payable for surgical procedures performed primarily for cosmetic reasons; that is, surgery undertaken simply to improve physical appearance. However, benefits are payable for certain plastic and reconstructive surgical procedures when performed for specific medical reasons, such as breast reconstruction following mastectomy or nose surgery (rhinoplasty) following facial trauma.

Plastic and reconstructive surgical items, which can be claimed if they are clinically relevant, are contained in subgroup 13 of the Therapeutic Procedures section of the Medicare Benefit Schedule.

<b>Subgroup 13 – Plastic and Reconstructive Surgery</b>	
<b>Heading</b>	<b>Item range</b>
General	45000 - 45054
Skin Flap Surgery	45200 - 45240
Free Grafts	45400 - 45494
Other Grafts and Miscellaneous Procedures	45496 - 45797
Oral and Maxillofacial Surgery	45799 - 45996

The requirements of each item are outlined in the MBS. This information can be accessed online on the Department of Health and Ageing website:-

<http://www.health.gov.au/internet/mbsonline/publishing.nsf/Content/Medicare-Benefits-Schedule-MBS-1>

- b) Medicare does not fund procedures which are performed primarily for cosmetic reasons. Medicare funds a number of plastic and reconstructive procedures performed for medical/therapeutic reasons.

During the 2008 calendar year, 197 300 procedures were performed under items listed in the plastic and reconstructive surgery section (subgroup 13) of the MBS.

The total cost of all therapeutic procedures performed in the plastic and reconstructive surgery section (subgroup 13) of the MBS during the 2008 calendar year was \$57 million.

- c) The 278 Medicare items listed in Category 3 – Therapeutic Procedures, Group T8 – Surgical Operations, Subgroup 13 – Plastic and Reconstructive Surgery of the MBS have schedule fees ranging from \$79.15 to \$3907.85.

The schedule fee for all items is outlined in the MBS. This information can be accessed online on the Department of Health and Ageing website:-

<http://www.health.gov.au/internet/mbsonline/publishing.nsf/Content/Medicare-Benefits-Schedule-MBS-1>

- d) (a) Medicare Australia occasionally receives reports about non-compliant use of MBS plastic and reconstructive item numbers through the Australian Government Fraud Tip-Off Line. However, these reports are low in volume. In the last two financial years (2007–08 and 2008–09), Medicare Australia has received a total of twenty-eight reports in relation to thirteen matters. Each of these reports have been assessed and referred for action where appropriate.

(b) Of the thirteen matters reported to Medicare Australia, four remain open, and nine were deemed to require no further action following an assessment by a Medicare Australia compliance officer.

Of these four open cases, three are currently with Medicare Australia's criminal investigation teams, and the other case is being considered for inclusion in an upcoming audit.

- e) The number of therapeutic procedures performed for plastic and reconstructive procedures in each State and Territory in 2008 was:
- a) Victoria — 38 670
  - b) New South Wales — 61 447
  - c) Queensland — 55 839
  - d) South Australia — 17 109
  - e) Western Australia — 16 783
  - f) Tasmania — 3215
  - g) Australian Capital Territory — 3428
  - h) Northern Territory — 809

- f) In terms of the Medicare-funded plastic and reconstructive procedures, the ten most commonly performed services during 2008 were (in descending order):
1. Item 45200 (skin flap procedure)
  2. Item 45206 (skin flap procedure)
  3. Item 45451 (skin graft procedure)
  4. Item 45203 (skin flap procedure)
  5. Item 45520 (breast reduction procedure)
  6. Item 45617 (eyelid reduction procedure when skin obscures vision)
  7. Item 45665 (wedge excision of lips, eyelids or ears)
  8. Item 45003 (skin flap procedure)
  9. Item 45506 (facial/neck scar revision procedure)
  10. Item 45626 (correction of eyelid which turns inwards or outwards)
- g) (a) Plastic and reconstructive surgery - the *Health Insurance Act 1973* (3E, 3D and 3DB) and *Health Insurance Regulations 1975* (Schedule 4) set out the requirements for access to plastic surgery items for Medicare purposes.
- (b) Medical practitioners can be recognised with Medicare Australia if they are a Fellow of the Royal Australasian College of Surgeons in the specialty of Plastic and Reconstructive Surgery or registered with a state/territory medical board as a specialist in plastic/reconstructive surgery. There are certain state regulatory requirements to operate in any medical field that providers are required to comply with, but these are not administered by Medicare Australia.
- (c) The Royal Australasian College of Surgeons has Continuing Professional Development programs that plastic surgeons are required to undertake. Medicare Australia has no role in these program requirements.
- (d) Individual practitioners apply for a provider number for each location at which they wish to practise. In addition, practitioners apply for specialist recognition under the Medicare program, this applies at all locations. Clinics and practices are not registered.
- h) The process for recognition as a general practitioner is administered by the Royal Australian College of General Practitioners and/or Australian College of Rural and Remote Medicine. The relevant sections are 6DC (1) of the Health Insurance Regulations for the Australian College of Rural and Remote Medicine, and 3EB of the Health Insurance Act for Royal Australian College of General Practitioners Fellows.

The process and regulatory requirements for recognition as a specialist through the Royal Australasian College of Surgeons is described in question (g).

The Royal Australasian College of Surgeons process outlined at question (g) is similar to the Royal Australasian College of Physicians process utilised when practitioners are recognised as consultant physicians under Medicare. The relevant sections that apply are the Health Insurance Act (3DB, 3E) and Schedule 4 of the Health Insurance Regulations.

- i) Medicare Australia only collects the information required for the payment of Medicare benefits. This does not include data regarding the safety of cosmetic surgery procedures. This information would be best sought from the relevant peak medical bodies.
- j) The breakdown, by state, of the 28 complaints received over the last two years is as follows:

<b>State</b>	<b>2007–08</b>	<b>2008–09 (to May 2009)</b>
Victoria	4	5
New South Wales	3	2
Queensland	2	4
South Australia	1	1
Western Australia	2	1
Tasmania	1	1
ACT	0	0
Northern Territory	0	0
<b>TOTAL</b>	<b>13</b>	<b>14</b>

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