

## APPENDIX 4

### THE INCIDENCE AND COSTS OF ASSISTED REPRODUCTIVE TECHNOLOGY (ART) PROCEDURES

#### The Incidence of ART

1.1 In 1997, the latest year for which data is available, there were 3,458 Australian births after assisted conception. Infertility treatment was available in 29 centres throughout the country, with the highest treatment ratio being in the Australian Capital Territory/Tasmania (reported together because only three treatment centres are involved) and Victoria.

1.2 When all techniques of assisted conception are included, about one in seven treatment cycles resulted in a viable pregnancy of 20 weeks or more, although there were significant variations according to the technique used.<sup>1</sup> One submission advised that, of the 3,238 couples attempting ART procedures in Victoria in 1998, 18.4% achieved either a baby or an ongoing pregnancy.<sup>2</sup>

1.3 The number of births after artificial insemination by a donor (the most common form of assisted conception among single women and lesbian couples) is not separately identified by the Australian Institute of Health and Welfare (AIHW). Nor is the marital status and sexual orientation of those being treated. However, Dr David Molloy, from the IVF Directors Group of the Fertility Society of Australia, has estimated that only 1% of the 14,000 ART treatments provided annually in Australia would be for lesbian or single women, affecting a total of about 150 women.<sup>3</sup>

#### The Costs

1.4 The costs of ART can be presented in various ways. For example, the cost of ART services to the Commonwealth in 1999-2000 totalled \$65.14m (\$39.529m through the Medicare Benefits Scheme (MBS) and \$25.609m through the Pharmaceutical Benefits Scheme).<sup>4</sup> This understates the full cost to the Commonwealth because rebates will be paid for associated costs such as GP consultations and anaesthesia, which cannot be readily identified through the MBS data.

1.5 Another way of examining the cost of ART services is by treatment cycle. One stimulated IVF cycle in a Victorian program costs approximately \$2,500, of which \$650 is recoverable through Medicare. A natural IVF cycle costs about \$1,380, with costs to the

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1 Australian Institute of Health and Welfare National Perinatal Statistics Unit. *Assisted Conception – Australia and New Zealand 1997*, Tara Hurst, Esther Shafir, Paul Lancaster, Sydney 1999

2 *Submission 33*, Pro-Life Victoria. Figures based on 1999 Report of the Infertility Treatment Authority in Victoria

3 *Weekend Australian*, 5 August 2000 and *Transcript of evidence*, Dr David Molloy, Proof Hansard, p 186

4 Figures provided by Information and Research Services, Department of Parliamentary Library

patient of \$430.<sup>5</sup> Uninsured patients will also have to meet the costs of a hospital bed. Many patients undergo as many as eight treatment cycles before achieving a viable pregnancy. Medicare originally limited payment for IVF to six cycles, but this was increased to twelve in January 2000.

1.6 Costs for some other procedures, such as gamete intrafallopian transfer (GIFT) are slightly lower. For artificial insemination by a donor they are much lower although difficult to estimate with any degree of accuracy because they are not separately listed on the Medicare Schedule. They appear on the Schedule only in cases in which artificial insemination is performed as part of a broader IVF treatment. However, Professor Gabor Kovacs, Medical Director of Monash University's IVF clinic, has estimated that successful artificial insemination by a donor is likely to cost between \$1,200 and \$1,600.<sup>6</sup> Each individual attempt costs \$170.<sup>7</sup>

1.7 Most women undergoing ART because they are 'socially' rather than 'medically' infertile meet the costs themselves. Under the *Health Insurance Act 1973* such services are not deemed 'clinically relevant' and do not attract Medicare benefits. Doctors who claim such benefits are liable to prosecution.

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5 Professor Louis Waller, *The Costs of Treating Infertility*, Journal of Law and Medicine, vol 7, no 2, Nov 1999, pp 183-190. Based on figures provided to the Infertility Treatment Authority by Victorian ART services. Figures for a stimulated IVF cycle at the Royal Women's Hospital in Melbourne for patients without private insurance were estimated at \$1,300 to the patient. These figures include the cost of hospital admission, drugs and the co-payment. (*Transcript of evidence*, Dr John McBain, Proof Hansard, p 173)

6 *Financial Review*, 25 August, 2000

7 *The Age*, 3 August, 2000. These costs are for medically regulated artificial insemination, using screened sperm