Department of Health PHI 86/20 Prostheses List: Consultation Paper - options for Reforms and Improvements to the Prostheses List

NSANZ reply to release of a consultation paper – 15.2.21

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The Neuromodulation Society of Australia and New Zealand (NSANZ)

NSANZ is a not-for-profit medical society [1] aimed at;

- Raising awareness of neuromodulation,
- Promoting knowledge and understanding of neuromodulation
- Promoting the safe and professional practice of neuromodulation
- Promoting, assisting and encouraging research into the field of neuromodulation

Implantable devices are used for defined medical conditions include pain, functional neurological pelvic disorders like incontinence and movement disorders like Parkinson's disease. These therapies have been defined and studied and when used appropriately for the correct indication can be lifesaving.

Important points to be made for this submission

1) It is disappointing that this consultation paper seeks to present the current arrangements regarding prostheses benefit setting in such a negative way, particularly given the role that the prosthesis listing has to ensure access for patients and clinicians choice when it comes to access medical technology in the private sector.
2) We understand the need to reduce cost pressures on the private health insurers, but this must *not* be at the expense of patients not receiving a defined therapy that is indicated and that they require. We will provide an argument as such below.
3) We request a representative of our society be included in the discussions moving forward on this consultative process with the aim of providing this cost-effective therapy for those that need it most and to avoid unnecessary patient suffering and an ongoing burden to the community.

Chronic pain is a public health issue with high long-tail costs

Pain Australia along with key stakeholders developed the National Pain Strategy in 2010 [2]. Key points were that chronic pain affected up to 20% of adults in Australia, with this condition not being recognised as a public health issue, which it most definitely is.

Up to 80% of these people in pain do not receive the therapy they require with waiting times of over one year to see a specialist.

In 2010, chronic pain costs $34 billion per annum and was our nation's third most costly health problem. Persistent pain leads to poor productivity at work, which frequently leads to unemployment and impoverishment, all of which are difficult to quantify.

The Cost of Pain – Deloitte Access Report – 2019

In 2019 Deloitte Access economics published the Cost of Pain Report [3], the figures of which are staggering.

Key take home messages are as follows:

- 3.24 million Australians were living with chronic pain in 2018. 53.8% are women and 68.3% are of working age.
- For the majority (56%) of Australians living with chronic pain, their pain restricts what activities they are able to undertake.
- The total financial cost of chronic pain in Australia in 2018 was estimated to be $73.2 billion, comprising $12.2 billion in health system costs, $48.3 billion in productivity losses, and $12.7 billion in other financial costs, such as informal care, aids and modifications and deadweight losses. The cost of pain has now doubled from the proposed cost of pain in 2010 which was $34 billion, to $73.2 billion per annum.
- People with chronic pain also experience a substantial reduction in their quality of life, valued at an additional $66.1 billion. This reduction in quality-of-life cost needs to be considered.
- The costs of chronic pain are expected to increase from $139.3 billion in 2018 to $215.6 billion by 2050 in real 2017-18 dollars

What this shows is that the long-tail cost of chronic pain is extensive. The unmeasured costs on productivity and quality of life is massive.

The way to negate these costs is using an extension of best practice care for Australian patients which could lead to substantial savings and better health outcomes, and overall provide savings to the government and the economy.

The Cost Effectiveness of Pain Devices – Deloitte Access report – 2019

In 2019 Deloitte Access published a report on the cost effectiveness of pain devices [4].

The conclusion was the chronic conditions of Failed Back Surgery Syndrome (FBSS), now called Persistent Spinal Pain Syndrome (PSPS) [5], complex regional pain syndrome (CRPS) and intractable cancer pain impose a substantial burden upon the affected population.

Spinal cord stimulation devices can provide significant pain relief to FBSS and CRPS patients who would otherwise be subject to conventional treatments with a lower probability of successful pain relief. With newer devices and stimulation techniques the cost effectiveness ratios of these devices are likely to improve beyond the estimations in that report.

Moreover, the savings from these devices (for FBSS and CRPS) are likely to be magnified over time given the rising prevalence of chronic pain in Australia.

Best practice care would include appropriate and safe use of neuromodulation devices in carefully selected individuals.

The cost of devices is dwarfed by the cost of decision making for/against the device

The cost of prostheses is dwarfed by the cost of decision making for/against the implant of a prosthesis meaning a patient where a medical device is indicated but who doesn't receive one will generate massive costs to the healthcare system and economy. And similarly, a patient who gets one inappropriately, will generate massive costs to the healthcare system and economy.

Hence the key to cost saving is not in saving the cost of the prosthesis *but* in ensuring there are appropriate mechanisms to monitoring the patient selection and audit system to ensure the right patients get the right device for the correct medical indication.

This could be done with rigorous policies and guidelines on appropriate patient selection, patient preparation, device selection, implantation by experienced practitioners and rigorous follow-up and ongoing therapy. These devices must be used in a predefined multidisciplinary environment.

Medical devices are a first order cost whose benefit must be compared to the true cost of healthcare saved

Medical device costs are a first order cost meaning they are a primary process and cost that is observed, whereas the true cost that needs to be considered is the cost of health care saved, when these devices are used and as a result of a successful medical device implant. The costs saved include multiple medications, opioids are usually weaned and stopped because of these implantable pain devices, ongoing multiple surgeries such as spinal surgeries and joint revisions, QoL improvement, work productivity costs.

Note the cost in lost quality of life from the above Deloitte report can be upwards of $66 billion per annum [4].

It is these secondary costs that must be incorporated in any decision-making algorithms for medical devices.

Australians require access to appropriate medical care

It is paramount and a moral obligation that Australian patients who are taxpayers and fund these systems are allowed continued access to medical care and have the opportunity to receive the most appropriate and advanced medical devices for their conditions. To be deprived of these therapies for the sole purpose of ensuring shareholder returns for a very small group of health insurance companies is an abrogation of what Australia and Australian's stand for in terms of access to equitable healthcare.

We are committed to supporting the most cost-effective delivery of medical devices

Medical societies in general and NSANZ are committed to ensuring the most cost-effective delivery of medical device therapy in the field of pain medicine and neurological disorders.

NSANZ itself is keen to work with the government and primary stakeholders such as the heath insurers to ensure this outcome along with patient safety.

Specific answers to your questions in the Consultation Paper: Options for reforms and improvements to the Prostheses List. December 2020

What, if any, general use products should continue to be funded though the PL and why?

Pain devices must be continued to be supported on the prosthesis listing for the reasons above. It might be that NSANZ works with the DoH to define conditions where they should and should not be used and define inclusion and exclusion criteria for the safe selection and application of these devices.

Should the public/private gap be closed completely or instead allow for relativity that favours the private sector? If so why?

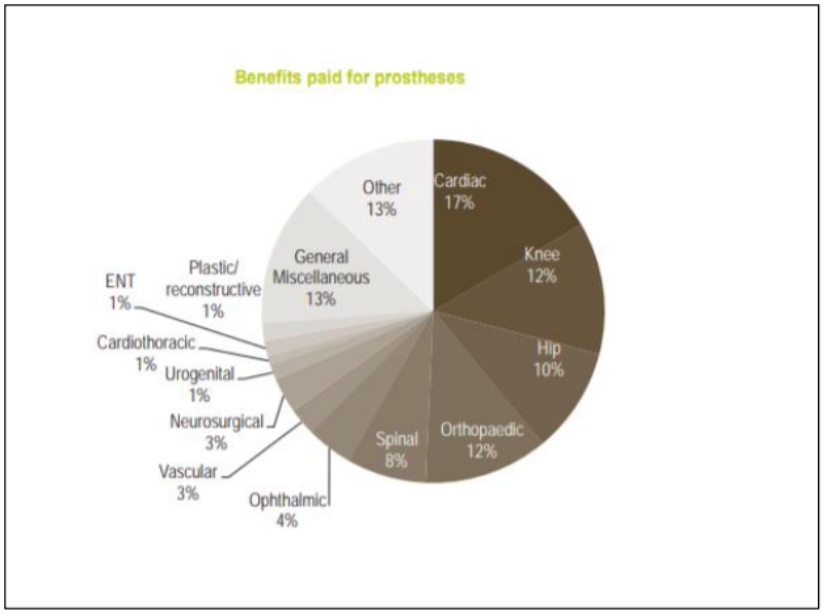
Currently medial pain devices are rarely used and supported by public health systems in general and hence the expertise and centres of excellence for the application of these therapies lies mainly in the private hospitals and system.

What evidence is there that choice of prostheses in the public sector is more limited than the private hospital sector? Is there any evidence of difference in outcomes in the public and private settings?

Pain devices are almost never used in the public system; hence we are unable to comment on this. The development of a national pain device registry would allow assessment of outcomes. NSANZ would be strongly support of a registry.

Benefits paid for prostheses

We note that the cost of pain devices appears to be small compared to the overall cost of other prostheses such as cardiac, joints and spinal (see below chart on page 11 of your consultation paper). However, we do not negate these costs and again would be keen to work with both DoH and the relevant device companies to foster cost efficiencies and developing standards of costs within the system.



A final point on medical device registries

NSANZ strongly supports the development and use of a National Pain Device Registry and would be delighted to work with the DoH and key stake holders in the development of such an initiative. If requested, we would put forward a proposal for the development of such a registry, which, we would hope would have such far reaching benefits as seen with the National Joint Registry.

We look forward to ongoing discussions and consultation on this initiative.

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On behalf of the NSANZ executive board and membership

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