



PHI 40/18
29 June 2018

PRIVATE HEALTH INSURANCE (PROSTHESES) AMENDMENT RULES 2018 No. 2 – PROSTHESES BENEFIT REDUCTIONS

The delegate of the Minister for Health has made the *Private Health Insurance (Prostheses) Amendment Rules 2018 No. 2* (the Amendment Rules), to replace Part A and Part C of the Schedule to the *Private Health Insurance (Prostheses) Rules 2017 No. 1*. The Schedule is generally known as the February 2018 Prostheses List.

The Amendment Rules implement the final prostheses benefit reductions for 2018 as set out in the [Government Agreement with the Medical Technology Association of Australia](#)

From 1 February 2018 the benefits for prostheses were reduced by 80% of the agreed total reduction amount for each product group for 2018. On 1 August 2018 the benefits for prostheses will reduce by the remaining 20% of the agreed 2018 reduction amounts. The table below sets out the 2018 benefit reductions for prostheses and how they have been applied.

The Amendment Rules have been registered on the [Federal Register of Legislation](#) and come into effect on 1 August 2018.

Note: The Amendment Rules are not the regular Prostheses List – the August Prostheses List will be published in August 2018, and will incorporate the benefit reductions.

Information on the prostheses benefit reduction agreement, and copies of the updated Prostheses List are available on the [Department of Health Prostheses List webpage](#).

Benefit Reductions

Benefit Reductions			First Round of Benefit Reductions (Phased Introduction)		Total reductions in 2018 (compared to the August 2017 PL)
			1 Feb 2018 (reduction compared to the August 2017 PL)	1 Aug 2018 (reduction compared to the February 2018 PL)	
Category	Assessment Body/Group				
01 Ophthalmic	01.02.02 - Foldable	6.8%	1.8240%	8.5%	
	01.03.01 - Viscoelastic	8.0%	2.1739%	10.0%	
	All other benefits	4.0%	1.0417%	5.0%	
02 Ear, Nose and Throat	02.01.01 - Cochlear Implants	4.0%	1.0417%	5.0%	
	02.01.02 - Speech Processors	4.0%	1.0417%	5.0%	
	02.01.03 - Speech Processor Accessory Kit	4.0%	1.0417%	5.0%	
	02.01.04 - Implantable Bone Conduction Hearing System	4.0%	1.0417%	5.0%	
	02.01.05.05 - Active Middle Ear Implants	0.0%	0.0000%	0.0%	
	All other benefits	4.0%	1.0417%	5.0%	
03 General Miscellaneous	03.01.01 - Hepatic, Yttrium 90, Standard Dose	0.0%	0.0000%	0.0%	
	03.02.02 - Infusion Pumps, Balloon Based	6.0%	1.5957%	7.5%	
	03.05.03 - Sponges	6.0%	1.5957%	7.5%	
	03.05.04 - Pliable Patches	6.0%	1.5957%	7.5%	
	03.08.02 - Internal Adhesives	6.0%	1.5957%	7.5%	
	03.08.03 - Ligating Devices	6.0%	1.5957%	7.5%	
	03.08.04 - Staples & Tackers	6.0%	1.5957%	7.5%	
	All other benefits	4.0%	1.0417%	5.0%	
04 Neurosurgical	All benefits	4.0%	1.0417%	5.0%	
05 Urogenital	All benefits	4.0%	1.0417%	5.0%	
06 Special Orthopaedic	06.03.04 - Screws	8.0%	2.1739%	10.0%	
	06.03.05 - Surgical Accessories	8.0%	2.1739%	10.0%	
	06.03.14 - Bone Cement	8.0%	2.1739%	10.0%	
	All other benefits	4.0%	1.0417%	5.0%	
07 Plastic and Reconstructive	All benefits	2.0%	0.5102%	2.5%	
08 Cardiac	08.13.01 – Cardiac Defect Occluders	8.0%	2.1739%	10.0%	
	08.13.03 – Left Atrial Appendage Closure	0.0%	0.0000%	0.0%	
	08.17.01 – Transcatheter Aortic Valve Implantation	0.0%	0.0000%	0.0%	
	All other benefits	16.0%	4.7619%	20.0%	
09 Cardiothoracic	All benefits	4.0%	1.0417%	5.0%	
10 Vascular	10.04 - Vascular Patches	8.0%	2.1739%	10.0%	
	10.07 - Arterial Closure Devices	8.0%	2.1739%	10.0%	
	10.08.01 - Particle	8.0%	2.1739%	10.0%	
	10.08.02 - Coil, Peripheral	8.0%	2.1739%	10.0%	
	10.08.03 - Polymer	8.0%	2.1739%	10.0%	
	10.08.06 - Delivery Device For Occlusion Media	8.0%	2.1739%	10.0%	
	10.09 - Long Term Vascular Access Devices	8.0%	2.1739%	10.0%	
	All other benefits	4.0%	1.0417%	5.0%	

Benefit Reductions

Benefit Reductions			First Round of Benefit Reductions (Phased Introduction)		Total reductions in 2018 (compared to the August 2017 PL)
			1 Feb 2018 (reduction compared to the August 2017 PL)	1 Aug 2018 (reduction compared to the February 2018 PL)	
Category	Assessment Body/Group				
11 Hip	All benefits		4.0%	1.0417%	5.0%
12 Knee	All benefits		2.64%	0.6779%	3.3%
13 Spinal	All benefits		3.0%	0.7732%	3.75%