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# PHI 37/23 Removal of General Use Items from the Prostheses List

Update on implementation and other changes.

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#### **Audience:**

Health sector

After extensive consultation on bundling of benefits for General Use Items (GUIs) following the scheduled removal from the Prostheses List on 1 July 2023, the Minister for Health and Aged Care, the Hon Mark Butler MP has agreed to retain the GUIs on the Prostheses (PL) for a further 12 months. The new legislative instrument, Private Health Insurance (Medicare Devices and Human Tissue Products) Rules 2023 will include a self-repeal provision that will remove GUIs listed in Part D from 1 July 2024.

The 12-month timing was indicated by the sector as the minimum amount of time required to:

- provide enough time to make the necessary arrangements (e.g. contracting and adjustment of internal business processes including system changes and workforce resourcing to facilitate contract negotiations)
- ensure no adverse impacts to privately insured patients, by continuing access to GUIs

The Department will not implement any transitional arrangements (i.e. bundling arrangements) over the next 12 months. Stakeholders are urged to use this time to work on all adjustments necessary to implement the changes by 1 July 2024.

A further scheduled reduction of 10% of the PL benefits for GUIs will be applied on 1 November 2023, to bring the benefits closer to the lowest public benchmark price.

Stakeholders should note that the Department will not be accepting new applications for listing GUIs on the PL as the timeframes make it impractical to consider these applications. Applications for listing on the PL are currently closed until 11 September 2023. Applications received from this date will be considered for the July 2024 PL update, which is the time when GUIs listed on Part D of the PL will be removed.

IHACPA's publicly available <u>General Use Items Bundling Tool</u> will continue to be available to stakeholders to support negotiation of funding arrangements between hospitals and insurers.