



# Australian Government

---

## Department of Health



## PHI 25/21 Prostheses List Reforms

An update on Prostheses List reforms following the announcements in the 2021-22 Federal Budget.

**Date published:**

12 May 2021

**Type:**

PHI circular

**PHI circular type:**

Prostheses announcement

**Intended audience:**

Health sector

Through the 2021-22 Federal Budget, the Australian Government announced an investment of \$22 million over four years to improve the Prostheses List and its arrangements. These reforms build on the reform activities which many people have contributed to over the past three years.

**What has been agreed?**

The Prostheses List will continue to be the way in which hospitals, insurers and device companies know what benefits are payable for listed prostheses. Changes will be introduced by the Department of Health, supported by the Independent Hospital Pricing Authority (IHPA), to better align Prostheses List benefits with the price paid in the public hospital system.

Other key features of the reforms to the Prostheses List include:

- Clarifying the scope of the Prostheses List by defining which prostheses are eligible for inclusion on the Prostheses List, and removing ineligible products.
- Regrouping the items on the Prostheses List to better align devices with similar intended use or health outcomes.
- Streamlining the listing of new devices by reviewing the functions of the Prostheses List Advisory Committee.

- Improving the post-listing activities, including reviews and compliance activities.
- Updating the existing cost recovery arrangements.

These reforms will be implemented by the Department over a number of years, commencing 1 February 2022. The reforms are expected to be implemented by 2025. A review of these reforms will be conducted in 2024.

### **Where can I get more information?**

The [Prostheses List reform and review](#) includes more information on the reforms.

To provide greater detail on the reforms, the Department will host a webinar in the week commencing 24 May 2021. Information on how to join the webinar will be provided in a separate PHI Circular closer to the date.

---

#### **Tags:**

Private health insurance