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PHI 27/24 Benefit reductions to Cardiac Implantable Electronic Devices

Update on benefit reductions to the device component and the technical support services component of Cardiac Implantable Electronic Devices.

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Audience: Health sector

Cardiac Implantable Electronic Devices (CIED) on the Prescribed List of Medical Devices and Human Tissue Products (PL) will have a proportion of their benefits reduced by 20% of the gap on 1 July 2024.

Device component of the CIED PL benefit

Similarly to the [first reduction of the CIED PL benefit on 1 July 2023](#), the second reduction will be applied to the proportion of the PL benefit that corresponds to the cost of the device. This proportion has been recalculated at 56.3% of the CIED PL benefit after there was a correction of certification costs provided by the industry.

The proportion will be adjusted accordingly, and the 20% of the gap will be recalculated from 56.3% of the CIED PL benefit and the 2020/21 weighted average price of a CIED in the public hospital system.

Sponsors will have the opportunity to review the proposed CIED PL benefits before publication ahead of the July 2024 PL.

Technical support services component of the CIED PL benefit

The technical support services component of the CIED PL benefit has been readjusted to represent 43.7% of the CIED PL benefit.

The Medical Services Advisory Committee (MSAC) has finalised their assessment of Application No. 1724 – *Cardiac technical support services provided by industry employed technicians*. The Public Summary Document (PSD) for this application was published on 16 April 2024.

In the coming month, the department will commence public consultation through its consultation hub on how to implement the MSAC advice regarding the technical support services component provided in the PSD.

There will be no reductions to this component of the benefit on 1 July 2024.
