Private Healthcare Australia
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National Safety and Quality Cosmetic Surgery Standards - consultation draft

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About Private Healthcare Australia

Private Healthcare Australia (PHA) is the Australian private health insurance industry's peak representative body. We have over 20 registered health funds throughout Australia as members and collectively represent 98% of people covered by private health insurance. PHA member funds provide healthcare benefits for more than 14 million Australians.

Response

PHA welcomes the opportunity to comment on the draft National Safety and Quality Cosmetic Surgery Standards.

Cosmetic surgery as defined excludes reconstructive surgery and surgery that has a medical justification even if it leads to improvements in appearance. This means PHA and member health funds are not involved in funding these treatments. However, downstream outcomes of this market do impact consumers and private health insurers.

Recent reports have found failures across many elements of cosmetic surgery practice - including appropriate disclosure and consent, safe and hygienic/aseptic surgical practices, protection of patients during/post-surgery through to the use of inappropriate advertising.

PHA supports the framework presented under clinical governance including the safety of patients, and the responsibility of providers to deliver clinical governance frameworks. Our major concern is the monitoring of this framework by an appropriate authority including the ACQSHC or a designated authority. Site inspections and reviews of quality health practices must be delivered, not merely documented and set aside. The approach needs to be consistent between states and territories.

Second tier hospital recognition

PHA is concerned that some cosmetic surgery facilities obtain second tier benefits because they have been defined as "hospitals." While the creation of second tier benefits was as a safety net for genuine hospitals and insurers that could not agree on a contracted position, centres such as the Cosmos Clinic operate under second tier benefits as hospitals (this came to light during a recent media investigation). Facilitation of these centres with second tier benefit status, mandates under the act that health funds are required to fund, without dispute, MBS nominated surgeries performed in these centres, irrespective of the quality standards under which they operate. Some of them are no more than doctors' rooms and have clearly never been inspected physically by any regulator.

Proper controls over second tier benefit sites or their removal entirely (our preferred position) would alleviate concerns over potential inappropriate billing and over servicing, as well as quality and safety concerns for our members. PHA remains concerned members may be being lured to these centres under the pretence that procedures can be covered that are not eligible for funding under the *Private Health Insurance Act*. Unfortunately, in a funding system driven by digital payments/surgical notifications, there is low capacity for PHI funds to identify if a procedure was medically necessary (a condition of PHI funding) or not. This is understood by some centres when it comes to using the flawed second tier benefits as a hospital subsidy tool, rather than a framework for quality care. PHA contends that a centre should not be able to self-identify as a hospital by merely ticking a box and moving directly to second tier benefits knowing it forces payment from insurers when MBS items are billed.

Corrective surgery

In addition to issues related to the payment and quality pathways, PHA remains concerned at costs member PHI funds incur in correcting downstream effects of poorly performed surgeries that

require substantial corrective action. These patients can fall into the category of major reconstructive surgery, delivered by properly qualified plastic surgeons in genuine private hospitals, once surgery has failed from under or non-qualified cosmetic practitioners.

Even where corrective surgery is performed via patient self-funding, health funds are often pressured to contribute to these costs based on feedback from clinicians and members. It is widely recognised in post weight loss surgery, many of the procedures (body contouring) are performed as medically necessary surgery when they are designated by the department as cosmetic surgery and therefore not eligible for PHI payment. The same thing occurs in some other procedures like rhinoplasty and blepharoplasty. Online social media chat groups share advice on how to obtain this surgery part funded by PHI (hospital/inpatient care), with patients providing substantial undisclosed out-of-pocket funding to the doctor, directly covering the real operation performed.

Promotion

A review of the damning joint 60 minutes/Age expose also raises the importance of controls over social media. This is covered briefly and in part under section 2.12 around advertising and promotion. The substantial asymmetry of information between clinicians and patients is exploited in cosmetic surgery. Patients are bombarded with online material making them feel inferior against a false image of outcomes that can be expected. As this story revealed, many of the most critical elements of any surgery, including risks and complications, are either ignored or glossed over with patients already drawn to the practice by a false belief of what the surgery will deliver. Control and crackdown over this online promotion, much of which breaches Australian advertising laws on surgical/medical promotion, is likely to have as large, if not larger effect, than any physical regulation of the hospital facilities.

Summary

The draft standards cover a variety of elements including comprehensive care, applying safety and quality systems and improvements, integration of clinical governance and elements such as the Australian open disclosure framework. This document represents a sound framework of minimal standards required to provide and practice cosmetic surgery. Our concern remains the enforcement of these elements.

While PHA benefits from having members treated in structured quality environments, we remain concerned that the “wild west - cowboy” nature of cosmetic clinics will not be controlled without proper enforcement and regular random audits of sites.

It is clear some consumers are being billed egregious sums for surgeries based on hype and carefully constructed artificial social media promotions involving paid social influencers. Given the spend involved is often substantially more than if they were treated by qualified surgeons in a large private hospitals, it is time to move invasive cosmetic surgery from small centres that fly under the radar and instead require this surgery to be performed in large hospitals that have proper protocols to access ICU and intensive care if needed. The term ‘cosmetic surgery’ is too often associated with minor aesthetic procedures, when operations such as large body contouring (excess skin removal), suturing post weight loss, large volume liposuction and ‘Brazilian butt lifts’ are operations with substantial risks.

It is unfortunate patients are paying enormous sums for high-risk procedures in unregulated centres and have limited to no protection provided to them by regulators. While it is correct they do this at their own risk, if something goes wrong, the cost is usually borne by the community. While this consultation provides a blueprint of minimal standards, it requires a strong plan for enforcement.