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Statement on Medicare Fraud and MBS Funding

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I write this in response to the recent series of in-depth articles that has raised public awareness of the roting and waste affecting Medicare expenditure. This has amounted to an estimated 30% of the annual Medicare budget and translates to some \$8 billion of taxpayers' money lost each year through fraud, errors and waste.¹

The Government, through the Medicare Benefits Scheme (MBS), has accepted this profligate waste of funds for many years. In addition, it has provided generous subsidies for acupuncture services performed a) by medical practitioners with no acupuncture training (MBS Item 173)² and b) by those with limited training endorsed by the Medical Board of Australia (MBA) which has no expertise in acupuncture (MBS Items 193, 195, 197 and 199).³ The acupuncture course requirement for medical practitioners is 270 hours of which 180 hours are allocated for homework and self-directed study.⁴

The total expenditure on MBS acupuncture services for the 2021-2022 financial year was \$15.9 million.⁵ The irony is that while MBS subsidises acupuncture services performed by those registered as medical practitioners who are not registered acupuncturists, no MBS subsidy is given for acupuncture services performed by a registered acupuncturist. Not one cent was allocated to registered acupuncturists who are specifically trained in acupuncture, and have extensive knowledge and the highest training and competency standards.

Registration of health practitioners is required to ensure high professional and clinical standards in order to protect the public. Professional standards for all registered health practitioners are set by the National Registration and Accreditation Scheme (NRAS).⁶ Those common registration criteria apply to all medical, nursing and allied health professions including Chinese medicine. Specific training and competency criteria are developed for each profession by the relevant National Board.⁷ Enforcement and monitoring of registration is administered by the Australian Health Practitioner Regulation Agency (Ahpra).⁸

The strained Medicare budget has made the government reluctant to increase spending in any new area. That has resulted in refusal to include acupuncture services given by those trained specifically in acupuncture (registered acupuncturists) even while including those with limited training (medical acupuncturists endorsed by MBA).

Of the ten registered professions recognised by the Australian government as an Allied Health profession (Chinese medicine, chiropractic, medical radiation, occupational therapy, optometry, osteopathy, pharmacy, physiotherapy, podiatry, psychology),⁹ Chinese medicine is the only Allied Health profession excluded from the Medicare system: With the sole exception of Chinese medicine, all Allied Health services are subsidised by Medicare under the *Chronic Disease Management* (CDM) scheme.¹⁰

The exclusion of Chinese medicine from the MBS adversely affects reasonable access by the Australian taxpayer to taxpayer-funded professional services delivered by fully trained registered acupuncturists. It has also resulted in the practice of 'dry needling', a term used by those attempting to practise acupuncture without the training and competency required to be a registered acupuncturist. By not being registered, they are not held to account: they avoid regulation by Ahpra, and also avoid the higher standards of registration developed by the Chinese Medicine Board of Australia.

The public is placed at risk when acupuncture services are provided by unregistered or unendorsed acupuncturists.¹¹ The exclusion of registered acupuncturists from the Medicare system (MBS) does not achieve the best clinical outcomes. It is not in the public interest nor does it meet the public's expectations of Medicare funding. Further, it is ethically questionable to deny the Australian public access to funded services of the highest available quality while funding services performed by those less qualified. The Australian taxpayer has a right to expect treatments of a high professional standard from those qualified and registered in the field. That includes acupuncture treatment delivered by a registered acupuncturist that provides greater clinical benefit. This is particularly true because acupuncture treatment by a registered acupuncturist costs no more than that delivered by a medical acupuncturist.

It is to the public benefit that the government conduct an independent review of Medicare that will lead to urgent reforms that are fair to the taxpayers who fund the system.

Should you have any further queries on this matter, please feel free to contact:

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Authorised by FCMA Board

<https://www.fcma.org.au/>

¹ <https://www.theage.com.au/politics/federal/medicare-rorts-are-a-national-scandal-requiring-an-urgent-fix-20221016-p5bq6u.html?js-chunk-not-found-refresh=true> accessed on 30/10/2022

² For a long time until 1Nov 2022, item 173 had been used by medical practitioners who have no acupuncture training <http://www.mbsonline.gov.au/internet/mbsonline/publishing.nsf/Content/news-221101> accessed on 13/11/2022

³ Page 26, <https://www.health.gov.au/resources/publications/report-from-the-general-practice-and-primary-care-clinical-committee-phase-1> accessed on 30/10/2022

⁴ <https://www.racgp.org.au/the-racgp/governance/committees/joint-consultative-committees/jccma/accredited-training-courses> accessed on 30/10/2022

⁵ http://medicarestatistics.humanservices.gov.au/statistics/do.jsp?PROGRAM=%2Fstatistics%2Fmbs_item_standard_report&DRILL=ag&group=173%2C193%2C+195%2C197%2C199&VAR=benefit&STAT=count&RPT_FMT=by+state&PTYPE=finyear&START_DT=202107&END_DT=202206 accessed on 30/10/2022

⁶ <https://www.health.gov.au/initiatives-and-programs/national-registration-and-accreditation-scheme> accessed on 3/11/2022

⁷ <https://www.ahpra.gov.au/National-Boards.aspx> accessed on 5/11/2022

⁸ <https://www.ahpra.gov.au/> accessed on 6/11/2022

⁹ <https://www.health.gov.au/health-topics/allied-health/about#ahpraregulated-allied-health-professions> accessed on 31/10/2022

¹⁰ https://www1.health.gov.au/internet/main/publishing.nsf/Content/health-medicare-health_pro-gp-pdf-allied-cnt.htm accessed on 30/10/2022

¹¹ <https://www.hccc.nsw.gov.au/decisions-orders/media-releases/2022/ms-guirong-xing-lucy-massage-therapist-chinese-medicine-practitioner> accessed on 6/12/2022