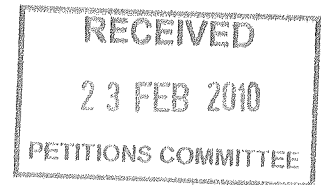




**THE HON NICOLA ROXON MP
MINISTER FOR HEALTH AND AGEING**



Mrs Julia Irwin MP
Chair
Standing Committee on Petitions
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mrs Irwin *Julie*

Thank you for your letter of 14 December 2009 on behalf of the Standing Committee on Petitions, regarding the Australian Government's changes to the Medicare Benefits Schedule (MBS) rebate for cataract procedures.

Cataract patients will now have certainty following an agreement reached between the Australian Government and the Australian Society of Ophthalmologists.

In the 2009-10 Budget, the Government sought to adjust the MBS fee for cataract surgery because improvements in technology had made cataract procedures quicker and less expensive.

The Government wanted to ensure that the benefits of technological advancements were passed on to the taxpayer. Ophthalmologists disagreed with the extent of this change.

The Government has now agreed to:

- a 12% cut on cataract MBS items effective from 1 February 2010;
- a freeze on indexation of cataract items until November 2011; and
- a review of all ophthalmology items on the MBS under the new MBS Quality Framework process.

The new MBS fee for cataract surgery of \$731.80 for the most common procedure applied from 1 February 2010.

The review of all ophthalmology items will enable more detailed assessment of the appropriate fees to apply in the future to ensure taxpayers are getting value for money.

The Government will also invest \$5 million over four years on eye health initiatives for rural Australians. This package, to be rolled out with the assistance of the Australian Society of Ophthalmologists, will help provide improved care for those Australians who are unable to access the same level of services as their metropolitan counterparts.

I trust that the above information is of assistance.

Yours sincerely

NICOLA ROXON

19 FEB 2010