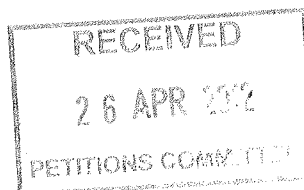
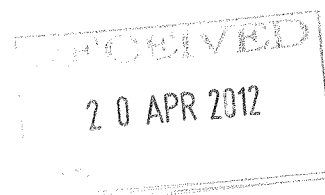




**The Hon Tanya Plibersek MP
Minister for Health**



The Hon John Murphy MP
Chair
Standing Committee on Petitions
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Mr Murphy

Thank you for your letter of 1 March 2012 regarding a petition to the House of Representatives about Medicare-funded allied health visits for diabetes related lower limb problems.

I acknowledge the issues raised in the petition in relation to the value of podiatry services in managing chronic conditions, including diabetes. I also acknowledge that the petition advocates for access to additional Medicare-funded allied health services per year for patients with diabetes-related lower limb problems.

The Australian Government is committed to supporting patients living with chronic disease and provides support for podiatry services through the Medicare Benefits Schedule (MBS). Under the Chronic Disease Management (CDM) items, patients who have a chronic medical condition and complex care needs, who are being managed by their GP under a GP Management Plan (MBS item 721) and Team Care Arrangements (MBS item 723), can be referred for up to five Medicare rebateable individual allied health services per calendar year, including podiatry services (MBS item 10962). In 2011, almost 1.5 million services were provided and more than \$76 million in Medicare benefits were paid for chronic disease podiatry services.

In addition, the Government also provides support for people at risk of developing type 2 diabetes through MBS health assessment services (MBS items 701-707) and support for people living with type 2 diabetes through MBS group allied health services (MBS items 81100-81125).

The chronic disease allied health services currently available under Medicare are not intended to fully cater for patients who require intensive ongoing treatments. Rather, these Medicare services complement services provided by state and territory governments and increase access to private allied health services by improving their affordability.

The Australian Government also supports access to allied health services more generally through some subsidies for private health insurance premiums.

I note the principal petitioner, the Australasian Podiatry Council (APodC) calls for amendments to the legislation governing Medicare. In order to progress this issue, if the APodC believes there is sufficient evidence available to support proposed new items or amendments to existing items, an application could be submitted to the Medical Services Advisory Committee (MSAC).

The MSAC was established by the Australian Government in 1998 to appraise new medical technologies and procedures proposed for public funding. The MSAC provides advice to the Government about the level and quality of evidence relating to the safety, clinical effectiveness and cost-effectiveness of such services. The MSAC's advice has enabled the Government to make informed, evidence-based decisions about the public subsidy of new medical services and from 1 January 2011, the role was expanded to include advice on amendments to and reviews of existing MBS items.

Applications made to the MSAC for consideration and for advice to the Government are based on currently available documented evidence. The MSAC utilises consumer representation, as well as relevant clinical expertise in its assessment processes to ensure the views of potential patients are taken into consideration. This process ensures that public funding is provided to medical services that have been shown to be safe and clinically effective, and represent value-for-money for both patients and taxpayers in the Australian context. Further information about the MSAC is available at www.msac.gov.au.

I appreciate the time taken by the APodC and Australian citizens in drawing attention to this issue.

Once again, thank you for writing.

Yours sincerely

Tanya Plibersek

16.4.12