The ACCC Report to Senate on Private Health Insurance (2012)

The Australian Orthotic Prosthetic Association Inc. Submission

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Executive Summary

An orthotist is a tertiary qualified allied health practitioner and is specifically educated to provide orthoses for the entire body. The Australian tertiary program is based at La Trobe University, Melbourne, being a Bachelor of Health Science and Master in Clinical Prosthetics and Orthotics (double degree). This tertiary qualification is equivalent to that of other allied health professions such as podiatry, occupational therapy and physiotherapy. The Australian Orthotic Prosthetic Association Incorporated (AOPA) is the peak professional body representing orthotists nationally. AOPA membership accounts for 80% of this small allied health practitioner group, with only 350 practising professionals nationally. Orthotists are valuable allied health practitioners and multidisciplinary team members in the private and public sector, with the profession represented as Departments in most major public hospitals.

An orthosis is an externally applied device used to modify the structural or functional characteristics of the neuro-muscular skeletal systems. Orthotists work in an autonomous manner to provide clinical orthotic care, and are responsible for the clinical assessment, prescription, design, manufacture and fitting of orthoses to patients (ISO, 1989). Several professionals may fit a small range of orthoses in the course of their work (physiotherapists, chiropractors), however there are few professionals who are qualified to clinically assess, fabricate and fit custom-made orthoses. Other professions include podiatrists (custom-made foot orthoses) and occupational therapists (custom-made upper limb orthoses). Only orthotists are specifically trained in the clinical assessment, prescription, design, manufacture and fitting of a vast array of custom made orthoses for the entire body.

The AOPA has attempted to address the lack of recognition of orthotists by health funds for a number of years. The Australian Competition and Consumer Commission (ACCC) provides examples of health funds restricting consumers access to rebates from allied health professionals such as dental therapists, dental hygienists, oral health hygienists and podiatric surgeons. The clinical services of orthotists are often unrecognised by health funds whilst the same services of our equivalent and allied counterparts are extensively supported. This distinction is unjustified, places orthotists at a competitive disadvantage, and negatively impacts on consumers who are denied the right to select their preferred health care provider and often incur greater out-of-pocket expenses.

On behalf of orthotists nationally, the AOPA provides the following response to the 4 key areas of inquiry, as outlined in the invitation letter dated the 3rd September 2012.
Lack of orthotist recognition by Fund providers

*Examples where allied health care providers offer the same or similar services as other providers and are not recognised by health funds*

AOPA response:

As outlined in *Appendix One: Occupation Summary*, orthotists provide clinical allied health care to patients on a daily basis. Typically, a patient presenting to an orthotist will undergo an initial clinical assessment comparable to that conducted by a physiotherapist, occupational therapist or podiatrist. Components of the assessment may include recording of relevant medical history, subjective information, objective clinical physical tests, biomechanical assessment and gait analysis. Other clinical services regularly provided include taking measurements and casts, fitting of orthoses, providing education for use, gait training, adjustments and repairs. Whilst these components of service are well catered for in the private health insurer’s schedules for other health professionals, such as podiatrists and occupational therapists, there are no rebates for an orthotist’s clinical services.

In all instances the AOPA is aware of, the only codes which private health insurers have approved for use by orthotists are for the actual orthosis being fitted, and these are often restricted to a small number. The proposed list of Item Numbers available to podiatrists provided by the Australasian Podiatry Council (2007) (available in *Appendix Two*) indicates more than 60 item numbers which should also be applicable to orthotists. Whilst AOPA understands that not all of these item numbers are adopted by health funds, the range is extensive and it appears that funds support a significant number to allow for rebates for clinical services. The range available for use by occupational therapists in conjunction with the provision of an upper limb orthosis is also extensive.

The restriction of use of codes relating to the provision of orthotic services is evident in *Appendix Three: HBF Letter*. An orthotist who is an AOPA member has attributed the appropriate Item Numbers for the services provided to an existing patient between 14 November 2011 and 24 April 2012. The Item Numbers used were F031 ‘Brief Service’, F033 ‘Intermediate Service’, F201 ‘Ankle Foot Orthosis’, F231 ‘Orthosis Repair’, F303 ‘Negative impression of the foot and lower leg’ and F305 ‘Positive model fabrication of the foot and lower leg’. As detailed in the reply from HBF, the claim was unable to be processed due to the codes being ‘restricted for use by Podiatrists only’. The list of Item Numbers available for use by orthotists was provided by HBF, as detailed on page two of *Appendix Three*. This list provides 10 item numbers which all relate to orthosis provision and
therefore only one item number is attributable to each client encounter ie. there are no item numbers for clinical assessment, gait analysis or clinical review.

Clearly HBF will pay a benefit for orthoses provided by an orthotist, however it makes no provision for the clinical service, which is ancillary to the provision of orthoses. These services would therefore be required to be funded by the client. Conversely, a podiatrist may select one of 18 Item Numbers for each consultation, depending on the length, location and nature of the service, as well as up to three Item Numbers for Biomechanical Evaluation (F111-F118 in Appendix Two), in addition to using the Item Numbers for any orthosis being provided as part of treatment. This is in contrast with the HBF fund rules which implies that benefits are payable for the supply of foot orthoses provided by an orthotist and therefore should also cover the same clinical services as other allied health professionals:

“HBF will pay a Benefit for the supply of Medically Necessary foot orthoses as described in Schedule M – ‘Foot Orthoses Schedule’ for foot orthoses that are custom made by a podiatrist, orthotist, medical practitioner, pedorthist or surgical boot maker who is an Approved Provider” (HBF fund rules, p.61).

Whilst the HBF fund rules suggests no distinction is made between Benefits paid based on the profession of the Approved Provider, in practice the Fund restricts clinically oriented Item Numbers for use by podiatrists only. This is highlighted in the email trail between an orthotist and a Bupa Provider Operations staff member, who documents that only three ‘product-based’ Item Numbers are available for orthotists:

From: Provops Ancillary [mailto:ProvopsAncillary@bupa.com.au]
Sent: Friday, 25 November 2011 1:45 PM
To: [Redacted]
Subject: RE: Provider enquiry

Dear [Redacted],

Please take note of the following item numbers:-

3115 – Braces
3120 – Callipers
3140 – Foot Drop / Splints / Ankle Foot Orthosis

Please note that item numbers may be subject to change from time to time. Should your patients require a quotation based on their entitlements, please instruct them to call our contact centre on 134 135 for further information.

Kind Regards
From: North, Rebecca (Health) [mailto:Rebecca.North@health.sa.gov.au]
Sent: Wednesday, 23 November 2011 3:39 PM
To: Provops Ancillary
Subject: Provider enquiry

Hi,
I have a patient who is unable to find out if she can get a rebate on a Knee Orthosis (brace) as I cannot provide her with a relevant item number. Are you able to provide me with the item number? Also can you provide us with a list of item numbers so we don’t have to continually contact you in these situations?
Thank you,

The AOPA does not believe the policies of these funds to be unique and considers their position in relation to the service of orthotists to be representative of most Australian health funds. This is evident through the Product Summaries on private health insurer’s websites regarding the rebates available for orthoses, which are often listed under Podiatry and Occupational Therapy services. There is no listing for orthotists and no clarity that there is more than one allied health professional qualified to provide orthoses, for the foot, lower limb and upper limb. Appendix Four: Email communication from HCF provides further clarity of the restriction in service provision and extent of rebates for consumers based solely on professional qualification by HCF health insurance fund. A further example of this is the extract from the AHM website, as follows:

**Important information about your ahm Extras cover**

*We’ll pay benefits for orthotics and orthopaedic footwear only if custom made and supplied by an ahm recognised podiatrist or orthopaedic footwear supplier. Make sure you include a referral from an ahm recognised provider with your claim.*


The anti-competitive policies however do not solely relate to rebates for clinical services, such as assessment and reviews, but on occasion includes the actual orthosis. A number of health funds have policies which only provide benefits for the provision of orthoses by one professional. For
example, often foot orthoses are only eligible for rebate when provided by a podiatrist and upper limb orthoses are only rebated when provided by an occupational therapist. One of our members had a specific example of this recently:

“In just today, was a patient that was referred to me from an Orthopaedic Surgeon for foot orthoses. She had some made by a podiatrist 2 years ago that she could not tolerate. She was covered immediately through the podiatrists Hi-Caps. The surgeon was not happy with these orthoses and referred the patient to me. We have had great success but the patient could not claim anything back through Queensland Country Health as ‘you can only get orthotics from a podiatrist’” (Queensland private practitioner, 2012).

Evidence base for the lack of recognition

In each instance referred to, whether this lack of recognition is warranted. In particular are there any regulatory, medical or other reasons for this lack of recognition?

AOPA response:

In the examples provided there are no specific reasons given for the lack of recognition demonstrated by the private health insurer. The letter in Appendix Two simply outlines the restriction to a few codes and does not detail the reasons.

Regulatory Factors

When comparing orthotists, podiatrists and occupational therapists, there are some regulatory differences between them, however these would not substantiate the restrictions imposed on orthotists. Podiatrists and occupational therapists (since July 2012) must be registered under the National Registration and Accreditation Scheme (NRAS) through the Australian Health Practitioner Regulation Agency (AHPRA). Regulation under NRAS is related to the level of risk to the public and consumer and is concerned with consumer protection. It does not define professionalism, competencies or qualifications and should have no bearing on the recognition of a profession’s services.

AOPA self regulates the orthotics and prosthetics profession, in which membership to the Association is voluntary. Members of AOPA abide by a Code of Conduct and Professional Standards, uphold Competency Standards, and commit to mandatory Continuing Professional Development (CPD). According to the Private Health Insurance Accreditation Rules (2008), health practitioners not registered or licensed, must be a member of their professional association (Rule 9.3). Currently
private health insurers require orthotists to hold membership of the AOPA, and the Association provides confirmation of membership on request.

The AOPA is a member of the National Alliance of Self Regulating Health Professions (NASRHP), a committee of Allied Health Professions Australia (AHPA) which is the peak voice of allied health nationally. Other member organisations of NASRHP include the Audiology Society of Australia, Australian Sonographers Association, Dietitians Association Australia, Australian Society of Social Work, Exercise and Sports Science Australia, Royal Australian College of Perfusionists and Speech Pathology Australia. Private health insurance policy holders accessing services from practitioners from a number of these self regulated professions are eligible for rebates for their clinical consultations. This highlights that registration or self-regulation status is not a factor for the lack of recognition of orthotist clinical services.

**Recognition through other programs**

Orthotists are currently not recognized service providers through Medicare. The AOPA is yet to make a formal application to Medicare through the Medical Services Advisory Committee on behalf of the orthotic and prosthetic profession, for inclusion of orthotic services on the Medicare Benefits Schedule. Previous communication with the Health Minister requested the inclusion of orthotists in the Enhanced Primary Care (EPC) program, with a proposal for revision of the Private Health Insurance Act to include orthotist/prosthetists as an “Allied Health Professional” and the clinical services to be included as an “Allied Health Service”. There has not been any further formal submission since this communication. Health funds often cite the absence of a Medicare provider number as the basis for their lack of recognition. The absence of Medicare recognition is not a valid argument for failing to recognise the services of orthotists, as many alternative therapies without Medicare status are recognised by private health funds. Many of the examples previously provided outline the recognition of pedorthists, orthopaedic footwear specialists and bootmakers in the provision of foot orthoses, which are also non-Medicare recognized professions.

In contrast with the Private Health Insurance Act and Medicare, orthotists are recognized in the public health system as essential allied health service providers, employed within the Professional Stream. Public funding models, such as the Victorian Statewide Equipment Program (SWEP) require the registration of all allied health practitioners to provide orthotic services, which includes orthotists. They are also one of the listed professionals for the provision of funded services through other insurance commissions, such as Worksafe, Transport Accident Commission and the Department of Veteran’s Affairs. The new Worksafe policy highlights the range of professionals acknowledged as providing orthotic services, as below. It also highlights the restriction of the
Accident Compensation Act (1985), which limits prescribing rights for orthotists and requires medical practitioner involvement. The antiquated Act is comparable to the Private Health Insurance Act in its omission of orthotist/prosthetists and the lack of prescribing rights requiring a referral.

“Orthotic services may be provided by:

- an orthotist who is eligible for full membership of the Australian Orthotic Prosthetic Association Inc, who is approved by WorkSafe and has a WorkSafe registration number for invoicing purposes at the request of a registered medical practitioner who has a WorkSafe registration number for invoicing purposes, or

- a registered physiotherapist, podiatrist, chiropractor or osteopath with a WorkSafe registration number for invoicing purposes, or

- a registered occupational therapist who is approved by WorkSafe and has a WorkSafe registration number for invoicing purposes, at the request of a registered medical practitioner who has a WorkSafe registration number for invoicing purposes.”


The recognition of orthotists in all other funding programs, with the exception of Medicare which is currently restricted by national legislation, further highlights the anti-competitive policies of Australian private health funds.

Education and Qualification Factors

The National Centre for Prosthetics and Orthotics (NCPO) at La Trobe University offers the only tertiary qualification for orthotist/prosthetists in Australia. La Trobe University recently introduced a new curriculum for the education of practitioners; replacing the three and a half year Bachelor of Prosthetics and Orthotics with a four year combined Bachelor of Health Science, Master of Clinical Prosthetics and Orthotics, in line with other allied health undergraduate programs.

 Appropriately qualified orthotists have been trained to the same education and clinical level as podiatrists and occupational therapists, and are proficient in all clinical services associated with the provision of orthotic treatment. Under the current training model at La Trobe University, students studying to become orthotists complete common first and second year studies with podiatry and occupational therapy students and those studying for other allied health qualifications. In their final two years, orthotics and prosthetics students further hone their skills specifically in the areas of clinical assessment, diagnostic testing, biomechanical analysis, prescription, design and fabrication.
These skills are expanded and reinforced in all areas of study as students learn and apply orthotic and prosthetic treatment for the whole body.

The AOPA has clear and established eligibility criteria for membership, being a Bachelor of Prosthetics and Orthotics from La Trobe University or an equivalent international tertiary qualification. This sets the minimum education standard for the profession at Level 7 of the Australia Qualification Framework (AQF) which is in line with other registered and self-regulating allied health professions. The new minimum graduate exit of Master of Clinical Prosthetics and Orthotics is at AQF Level 9. Australian orthotists therefore have the same minimum education level of other allied health professions which have private health fund recognition, such as podiatrists and occupational therapists. Further to this, the services and products provided by pedorthists are often recognised. Pedorthists are not tertiary trained, with the minimum education for entry into the profession being the short course training packages provided by the national association. This highlights that education should not be an explanatory factor for the anti-competitive policies affecting the services provided by orthotists.

**The competitive disadvantage**

*Whether this lack of recognition places allied health care providers at a competitive disadvantage. If so, how are allied health care providers disadvantaged by the practices of health funds?*

AOPA response:

Orthotists are disadvantaged by the lack of recognition of the full breadth of services that orthotists provide to their clients. This is especially prevalent for the clinical aspects, which inflicts competitive disadvantage in comparison to other allied health practitioners, as demonstrated by the HBF schedules within Appendix Three. A remote practitioner comments on the disadvantage her private practice encounters in which potential clients ‘shop-around’ and select their provider based on the extent of their health cover:

“Assessment consultations aren’t covered, so sometimes patients enquire but don’t proceed. Fittings and reviews are also not covered (are covered for podiatrists). A lot of the time patients are comparing my services and prices to podiatrist. I do video gait analysis and 3D CADCAM Images (PDF), which patients can claim through a podiatrist. I end up doing them for free, as there is no room to financially compete” (South Australian rural/remote private practitioner).
The unwillingness of private health funds to engage and support the clinical services of orthotists indirectly implies that these services are of lesser quality or the practitioners are of lesser competence than their allied counterparts. Consumers are not made aware of their option to seek professional services from an orthotist as the profession is not readily listed for the provision of orthoses in the Fund Rules of most private health funds. The lack of clarity regarding rebates also hinders orthotists ability to advertise or promote their services and rebates available through private health funds to their potential clients.

A Melbourne based orthotist highlights the impact of the anti-competitive policies of private health funds stating:

“I am an orthotist and own a private orthotic practice. We have purposefully employed podiatrists as they have far more stature in the health community, and have access to more private health insurance rebates” (Melbourne private practice owner and practitioner).

Health funds currently will not provide a HICAPS machine to orthotists due to the lack of clarity surrounding Item Numbers. This electronic claiming service provides fund members with the convenience of processing claims and payments at the point of service. The HICAPS website states, “HICAPS can save time and money... and deliver real business benefits to health service providers”. Orthotists are denied this business benefit and clients are unable to access an immediate rebate or secure clarity regarding their rebate easily. This provides another disincentive for accessing the services of orthotists.

Another Melbourne based private practice owner highlights the time implications associated with assisting clients to navigate the rebate process with health funds:

“In addition (to not having access to the podiatry F-codes), we are always having to write addition letters to support the claim and/or provide copies of doctor’s referral to insurers, which brings in privacy issues” (Melbourne private practitioner).

The impact on consumers

Whether this lack of recognition results in a reduction in the extent of health cover or an increase in the out-of-pocket medical expenses of consumers, if so, what is the detriment or loss suffered by consumers?
AOPA response:

The anti-competitive policies of private health funds impact consumers through restricting access to the most appropriate or preferred service provider, increasing out-of-pocket expenses, and causing significant inconvenience.

**Reduced coverage and access**

Orthotists are qualified to provide orthotic clinical assessment, prescription, fitting and review services for the entire body. Whilst podiatrists are restricted to the provision of orthoses relating to the foot and ankle, and occupational therapists to the upper limb; orthotists are able to provide more extensive services, for example custom-made ankle-foot orthoses, knee-ankle-foot orthoses, knee orthoses, dynamic (jointed) upper limb orthoses. No other allied health professional is able to offer these custom orthotic services, and therefore the reduction in the extent of coverage results in restricted access to the services of orthotists and a greater range of treatment options.

**Increased out-of-pocket expenses**

Consumers have to pay the out-of-pocket expenses for the clinical encounter which is not covered by their health fund. For Example, after an initial assessment, there may be occasions where an orthotist determines that the most appropriate course of action does not involve the provision on an orthosis. In these instances, the client is responsible for the cost of the clinical consultation, and will not be provided a rebate from their health fund. For clients that do proceed with the provision of an orthosis, it may be perceived that they are charged excessively for the orthosis, as orthotists must incorporate the assessment, prescription and review consultation expenses into the cost of “providing the orthosis”. Other health professionals, such as a podiatrists, can separate these costs into assessment, casting, manufacturing and fitting of the device, as well as reviews, repairs and maintenance, therefore increasing the rebates available to their clients and reducing client out-of-pocket expense. The lack of recognition for repairs or refurbishments to orthoses leaves clients in the position of self-funding these expenses or choosing to replace the orthosis (or orthoses) prematurely.

A Queensland member of AOPA and private practitioner made the following comments regarding the inconvenience and expense to his clients:

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“As orthotists are not allowed to have a HICAPS machine, we are unable to immediately deduct the patients’ health care rebate from the total cost. Instead the patient has to pay for the orthoses up front and then attempt to claim back from the health fund at a later date. Most health funds in regional areas require this to be done by post, so the patient can be out
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of pocket more than a month. Through this we also have no immediate way to find out how much rebate the patient is entitled to. We receive many verbal referrals from old satisfied patients and other health professionals. We have to then instruct this new patient to get a written referral from their GP because the health fund will not process their claim without it. They can however go straight to a podiatrist to claim for orthoses without a referral. The patient is then out-of-pocket with the extra cost and time seeing a GP” (Queensland private practitioner).

The case above highlights the out-of-pocket expenses for the client as they were required to attend and pay for a GP service. It also indicates the financial risk the client takes in engaging with an orthotist when the rebate is often unclear and unknown. Determining the rebate usually requires numerous phone calls by the client and practitioner and follow-up letters, as well as the provision of a Doctors referral. By this stage, the client has often committed to the clinical service and is out-of-pocket for the entire costs.

The inconvenience and frustration

The lack of clarity regarding rebates and the recognition of services is an area of extreme frustration for many clients of orthotists. Time is spent on the phone to help lines seeking elusive ‘item numbers’ and providing explanations and documentation. The following comments from a rural/remote private practitioner confirm the frustration:

“This happens a lot (patients choosing not to proceed) when a patient makes an enquiry and asks for an item number to check their rebates. Private Health insurance help lines don’t seem to know what to do with orthotists and can’t help people easily, so patients cancel thinking they can’t claim. Or I or my receptionist ring Provider Support and check on the patients behalf, which is time consuming and makes me look very unprofessional - this is annoying on all levels. The worst is when patients have paid and go to claim, and are told they need an item number. They ring back annoyed, and then I have to explain that orthotists don’t always have item numbers and it is processed differently in a lot of cases” (South Australian rural/remote private practitioner).

Another frustration of practitioners and clients is the terminology used by private health funds which inhibits communication and clarity regarding rebates. Bupa currently allocates the following Item Numbers for orthotists; 3115 Braces, 3120 Callipers, 3140 Foot Drop/Splints/Ankle Foot Orthosis. The terms ‘brace’ and ‘calliper’ are antiquated and do not adequately describe an orthosis provided by an orthotist. These terms are non-clinical and non-descriptive and would rarely be used to
describe a custom orthosis, other than a ‘knee brace’ which is common public language. ‘Foot drop’ refers to a medical condition and ‘splint’ may be a more appropriate term for an upper limb orthosis. Therefore it is unclear whether in this example a foot orthosis, knee orthosis, upper limb orthosis, knee-ankle-foot orthosis (for example) would be covered as none of these Item Numbers adequately describe an orthosis type. Orthotist’s invoices are required to be adjusted in contradiction to professional and medically accepted language to ensure the terminology matches that of private health funds otherwise client claims are rejected.

**Other Comments**

**AOPA Orthosis Schedule/Schedule of Fees**

The services offered by orthotist/prosthetists are diverse and varied, however the nature of each appointment can be categorized into a list of broad groups. The AOPA has undertaken to provide a list of Service Descriptors (Refer Appendix Five), aiming to summarise these services for ease of understanding. This document is in DRAFT format at this stage. It is intended to be utilized in conjunction with a REVISED Orthosis Schedule, expected for completion in early 2013. To date, unlike other professions recommended schedules and codes, private health insurers have not adopted the AOPA’s Orthosis Schedule for Orthotists (2009) (Refer Appendix Six) nor have they been willing to engage to develop more appropriate and extensive item numbers for the profession and it’s services. This Orthosis Schedule (2009) was developed to assist private health insurers to navigate the complexities of orthosis terminology and costs. The Service Descriptors represent the AOPA’s intention to move away from a product based rebate arrangement, to include greater acknowledgement of clinical services.