

Australian Competition and Consumer Commission

By email: exemptions@acc.gov.au

11th June 2021

Dear ACCC,

RE: Honeysuckle Health and nib, Authorisation number AA1000542-1

The Neuromodulation Society of Australia and New Zealand (NSANZ) is a not-for-profit medical society [1] aimed at, raising knowledge and awareness of neuromodulation and promoting its safe practice and research in this field of medicine. NSANZ was established in 2002 by medical specialists practicing in the field of neuromodulation. NSANZ is the Australian and New Zealand chapter of the International Neuromodulation Society (INS) [2].

Implantable medical devices are used for a wide range of complex medical conditions including neuropathic pain, back pain, pelvic disorders (e.g., female urinary incontinence) and neurological disorders (e.g., Parkinson's disease).

I write to you to communicate the concerns of NSANZ and our members in relation to the proposal to authorise Honeysuckle Health and NIB health funds to form and operate a health service buying group with US based Cigna Health [3].

These changes will effectively have the following detrimental effects on our healthcare services.

Australians will have limited access to effective specialist treatment for their chronic pain

The National Pain Strategy [4] showed chronic pain affects 20% of Australians, with this condition not being recognised as a public health issue, which it most definitely is.

Up to 80% of people suffering with pain do not receive the therapy they require with waiting times of over one year to see a pain specialist in the public system.

People with chronic pain are at substantially increased risk of depression, anxiety, physical deconditioning, poor self-esteem, social isolation and relationship breakdown. Their productivity at work may be lowered, which frequently leads to unemployment and impoverishment.

A value-based healthcare system will greatly worsen these statistics and further burden the public healthcare system and our greater Australian community.

With poorer access to chronic pain specialists, and treatment of chronic pain, the use of opioids in Australia will rise exponentially and the USA opioid public health crisis and epidemic will be mirrored in Australia [5].

Suboptimal access to effective pain management will result in greater opioid use for chronic pain and this will result in lives lost to excess opioid use.

There will be a greater cost burden of chronic pain placed on the Australian economy

The recent Deloitte Cost of Pain Report [6], shows:

- 3.24 million Australians are living with chronic pain. 54% are women and 68% of working age.
- The total financial cost of chronic pain in Australia in 2018 was \$73.2 billion, comprising \$12.2 billion in health system costs, \$48.3 billion in productivity losses, and \$12.7 billion in other financial costs, (informal care, aids and modifications and deadweight losses).
- Chronic pain causes suffering and substantial loss of quality of life, valued at an additional \$66.1 billion.
- The direct and indirect costs of chronic pain are predicted to increase from \$139.3 billion in 2018 to \$215.6 billion by 2050.
- Chronic pain is our nation's third most costly health problem. Persistent pain leads to poor productivity at work, which frequently leads to unemployment and impoverishment, all of which are difficult to quantify.

A value-based healthcare system will greatly worsen these statistics and further burden the public healthcare system and our greater Australian community.

Australian healthcare standards would fall in world rankings and the cost of healthcare in Australia would increase substantially

Your proposed changes would place Australia on a pathway to a USA model of health care, problems of which include care not being driven by patients, doctors and hospitals but by health insurers resulting in volume-based care, preferred provider care based on dollar value, bundled healthcare, leading to corporatized care and shifting the costs to patients.

Australia Healthcare ranks 9th in the world, where the USA ranks 30th [7].

With Australia within the top ten healthcare systems worldwide [7], this only costs 9.6% of GDP vs USA at 17.2% of GDP.

Australian life expectancy will likely reduce on par with the USA

The average United States life expectancy dropped by a year in the first half of 2020, according to a report from the National Center for Health Statistics, a part of the Centers for Disease Control (CDC) [5].

The USA opioid crisis played a substantial role in these figures, and this is likely to occur in Australia, should your proposals be accepted.

NSANZ supports Australians having access to appropriate medical specialist care as follows

It is paramount and a moral obligation that Australian patients who are taxpayers and fund our systems are allowed continued access to medical care and have the opportunity to receive the most appropriate and advanced medical care and devices for their conditions.

Our patients must be able to choose their source of primary care i.e., patient-centred care is vital to improving all health conditions, particularly chronic pain outcomes.

Any alliances must consider the Australian patient/consumer of the medical services and medical devices, front and foremost. The patient has chosen to pay their private health insurance for the ability to have quicker access to care, choose their medical specialist and be more in control of their healthcare, which reduces the burden on the public health system.

Any alliances must not consider the needs of 'for profit' corporations first, over and above the Australian patient.

For the hard-working Australian to be deprived of appropriate specialist care for the sole purpose of ensuring shareholder returns is an abrogation of what Australia and Australian's stand for in terms of access to equitable healthcare.

Value-based care does not equate to patient-centred care.

The patient must be put front and centre when it comes to healthcare in Australia. The patient's rights, expectations, and needs as well as their treating medical practitioners *must* be considered by the ACCC.

We echo the statements by the Australian Medical Association (AMA), Australian Pain Society (APS), Spine Society of Australia (SSA), National Association Specialists Obstetricians and Gynaecologists (NASOG), Australian and New Zealand Society for Vascular Surgeons (ANZVS), Australian Society of Plastic Surgeons (ASPS) and the many other frontline medical specialists who have voiced their concerns over this proposal.

NSANZ strongly objects to the AA1000542 (Honeysuckle Health and NIB) submission.

Dr Nick Christelis
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Pain Specialist Physician & Anaesthetist
NSANZ President
On behalf of the NSANZ executive board and membership

References

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2. <https://www.neuromodulation.com/>
3. <https://www.accc.gov.au/public-registers/authorisations-and-notifications-registers/authorisations-register/honeysuckle-health-and-nib>
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