A Telehealth Strategy for Australia: Supporting Patients in the Community

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1. Challenges
- Ageing population
- High prevalence of chronic disease
- Hospital over crowding
- Over burdened health professionals
- Shortage of informal carers
- Preference for independent living
- Health needs in rural/remote areas.

The Medical Technology Association of Australia (MTAA) is working with industry, government and healthcare professionals to determine reimbursement strategies for telehealth including:

- MBS item numbers
- Care packages for home monitoring
- Funding via an Essential Care List
- Cost effectiveness.

2. Telehealth Applications
- Service provision to remote regions
- Home monitoring (disability, ageing, chronic disease, medical devices).

3. Home Monitoring
- Alarms/medical alerts
- Videoconference consultations
- Glucose monitoring
- Mobile ECG systems
- Home haemodialysis systems
- Wireless devices with GPS
- Portable anticoagulation monitoring
- Smart incontinence management
- Remote cardiac monitoring
- Home monitoring of peripheral medical devices.

4. Funding in Australia

Current Status
- Self review
- Sharing of report as part of a regular face-to-face consult
- Sharing of report as part of a multidisciplinary team consultation
- MBS items for telehealth (videoconference only).

2011
- $620m to fund telehealth services over 4 years – funding restricted to videoconference consults.

2012
- Restraints on MBS telehealth items
- No funding for remote monitoring of vital signs or implantable medical devices.

5. Clinical Benefits

Clinical benefits of remote monitoring for implantable medical devices:
- Lower mortality rates
- Reduced number of hospitalisations
- Shorter duration of hospitalisations
- Discovery of previously undetected clinical symptoms
- Better adherence to treatment program
- Improved continuity of follow-up
- Improved quality of life
- Efficient follow-up for patients in remote locations
- Early detection of further clinical events
- Early detection of device related issues.

RCT studies
- Several landmark trials (ALTITUDE, COMPAS, CONNECT and TRUST) including over 188,000 patients with cardiac implantable devices have established clinical effectiveness of remote monitoring. Data show up to a 50% reduction in mortality.

6. Reimbursement Options

Reimburse remote consultations:
- Option 1: MBS item numbers based on existing items could include a loading for remote monitoring
- Option 2: Capitated costing model – annual payment per annum
- Option 3: Improved capitated model – flat fee per quarter.

7. Barriers

Influencing the user
- Lack of awareness they need assistance
- Variations in ability to use the technology
- Privacy concerns
- Ethical issues (informed consent).

Due to cost
- Cost of technology in the first instance
- Decisions regarding who pays
- Cost shifting/perverse incentives
- Lack of consistent reimbursement policy.

Due to policy
- Different state/territory funding streams
- Liability concerns
- The need for large trials (vs small pilots)
- Lack of infrastructure for home care
- Lack of unique patient identifier.

The pace of innovation is faster than:
- Regulation
- Reimbursement
- Speed of adoption.

8. Costs

1. Service
2. Cost of devices
- Funding under the MBS and/or community care packages with a contribution from private health insurance
- Access – Essential Care List.

9. Cost Savings

Direct
- Doctors visits
- Clinical visits
- Emergency room visits
- Potentially preventable hospitalisations
- Residential care admissions
- Reduced distance travelled by care workers
- Early detection of exacerbations.

Indirect
- Reduced distance travelled by patients
- Increased patient and carer productivity
- Increased patient quality of life.

10. Savings to Government

Vital signs monitoring and remote monitoring of medical devices such as implantable cardiac devices and glucose monitors are cost neutral or cost saving to Government.

Potential cost reductions
- Residential care costs ➔ saving $1.9b
- Community care packages ➔ saving $114m
- Emergency Room admissions ➔ saving $64m
- Potentially preventable hospitalisations ➔ saving $385m
- Royal Flying Doctors Services in rural areas ➔ saving $40m
- Chronic disease management ➔ saving $694m
- Patient transport, travel and unnecessary tests ➔ saving $296m.

Estimated cost savings to Government total ➔ $3.5 billion p.a.

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For further information and references see: