

# RESTORING FUNDING FOR NUCLEAR MEDICINE

*Supporting a sustainable, accessible and innovative nuclear medicine sector for Australia.*

Nuclear medicine is a vital component of patient care and a critical technology for Australia. The Australasian Association of Nuclear Medicine Specialists (AANMS) is calling for the restoration of funding for nuclear medicine services after a 23-year freeze on indexation on the Medicare Benefits Schedule (MBS).

## Overview of Nuclear Medicine

**On average, every Australian will have more than two nuclear medicine procedures over their lifetime.**

Currently over 700,000 nuclear medicine services are delivered in Australia every year.

Nuclear medicine is a crucial clinical tool used to diagnose and treat patients with a range of conditions including dementia, paediatric renal disorders, heart disease and a range of endocrine diseases. It plays a vital role in the appropriate diagnosis, staging and management of cancer patients and has a growing role in cancer treatment.

It works by using small amounts of radioactive materials or “tracers” to provide a picture of organ and tissue physiology and structures in order to diagnose, stage and treat disease. This allows nuclear medicine specialists to visualise disease in organs and tissues that are traditionally difficult to see using other imaging techniques, such as x-rays, CT and MRI.

Nuclear medicine was recently identified by the Australian Government as a critical technology, and the field continues to evolve with new techniques and the potential to meet increasing needs for early diagnosis and treatment of cancer and other conditions.

For many patients, nuclear medicine provides a more accurate test or treatment option and leading to improved clinical outcomes. It enables early diagnosis, accurate staging and treatment prior to disease progression, prevention of futile therapies being employed and a reduction in costs and unnecessary radiation resulting from inefficient duplication of diagnostic tests.

## The Issue

Despite its crucial role in Australia’s health system, nuclear medicine is chronically underfunded due to a 23-year freeze on the indexation of Medicare Benefits Services (MBS) rebates.

This rebate freeze was initially imposed on all MBS services in 1998. Since then, indexation in line with inflation has been restored for all other medical fields **but nuclear medicine items remain frozen**. There is no justifiable reason for its exclusion.

After 23 years of this indexation freeze, the nuclear medicine sector is becoming unsustainable. The field is evolving rapidly, particularly in precision cancer treatment (theranostics), but has endured substantial growth in costs associated with service delivery and critical radiopharmaceuticals. The cost gap is now so substantial that the nuclear medicine sector can no longer absorb these costs.

The following table, produced by the MBS Review Taskforce in 2018, highlights the extent of the cost gap between some radiopharmaceutical prices and MBS fees:

Radiopharmaceutical	Item No.	MBS Fee (AUD) <sup>1</sup>	Quoted Price (AUD) <sup>2</sup>	Gap (AUD)
Y-90 citrate (for intracavity administration)	16003	650.50	2,169.00	<b>1518.50</b>
I-131 (thyroid cancer)	16006	499.85	652.86	<b>153.01</b>
P-32	16012	295.15	2,250.00	<b>1954.85</b>
Sm-153 lexidronam	16018	2,442.45	4,130.06	<b>1687.61</b>

## The Impact

A failure to reindex these services will result in increased out of pocket costs for patients and an overall reduction in the availability of nuclear medicine services to the Australian community. The MBS Review Taskforce noted in 2018 that **the availability and utilisation of nuclear medicine treatments is significantly impacted by pricing issues**. It recommended an increase in fees to mitigate the substantial cost gap; however, four years on, this recommendation has not been actioned.

Failure to address this issue, resulting in further constriction of nuclear medicine accessibility and availability, will reduce the capacity of our health system to successfully treat patients with many serious health conditions, resulting in poorer health outcomes and increased costs to the economy.

## The Solution

The AANMS is seeking to bring nuclear medicine services in line with other medical services funded under the MBS by re-instating indexation of nuclear medicine services so that rebates keep pace with inflation.

This will ensure ongoing access to crucial nuclear medicine services for patients and deliver significant economic benefits by enabling the early diagnosis and treatment of serious and potentially life-threatening conditions.

## AANMS Proposal

AANMS is seeking an initial 10 per cent increase for all MBS items for nuclear medicine in the 2022-23 Budget, to bring reimbursement levels closer to appropriate levels. Given that inflation has risen over 58 per cent since rebates were frozen in 1998, this initial payment is crucial to re-establish the viability of nuclear medicine in Australia.

In subsequent years, nuclear medicine MBS items should be reindexed in line with inflation, based on the MBS indexation factor.

## Estimated cost

Initial year: Approximately **\$33.6 million**.

Ongoing estimated cost over the forward estimates<sup>3</sup>: Approximately **\$2.8 million per year**.

<sup>1</sup> Fee includes radiopharmaceutical and administration

<sup>2</sup> Excluding delivery fee. Correct at 26/09/2017, for delivery to a large Australian metropolitan hospital.

<sup>3</sup> This figure is based on the current MBS Indexation factor of 0.9%. It assumes that future rates will remain consistent with historical trends.

## About the AANMS

The Australasian Association of Nuclear Medicine Specialists (AANMS) is a peak body representing medical practitioners working in the field of nuclear medicine diagnosis and therapy. It works to promote and advance the clinical practice of nuclear medicine, which can be used to both diagnose and treat patients with cancer, dementia, paediatric renal disorders, heart disease and endocrine diseases.



There are currently almost 500 qualified nuclear medicine specialists in Australia, operating from approximately 200 sites around the country. The role of AANMS is to represent the interests of these specialists, while also supporting research and innovation, training, and networking in the field.

The AANMS is, on behalf of its membership, requesting the re-indexation of nuclear medicine related items on the MBS, in order to ensure that patients have access to the most appropriate services to meet their needs and to promote the best outcomes for the Australian community.

REPRESENTING AUSTRALIA'S NUCLEAR MEDICINE SPECIALISTS  
PROMOTING QUALITY NUCLEAR MEDICINE & MOLECULAR IMAGING

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