



Independent Hospital Pricing Authority's Consultation Paper on the Pricing Framework for Australian Public Hospital Services 2023–24.

The Independent Hospital Pricing Authority (IHPA) is an independent government agency established under Commonwealth legislation as part of the National Health Reform Agreement (NHRA). The Pricing Framework for Australian Public Hospital Services outlines the principles, scope and methodology adopted by IHPA to determine the price for public hospital services and it is revised and published each year.

In June 2022, IHPA released their consultation paper in the Pricing Framework for Australian Public Hospital Services 2023-24 for public comment. The Hospital Services (the Pricing Framework) is the IHPA's key policy document and underpins the approach adopted by IHPA to determine the national efficient price (NEP) and national efficient cost (NEC) for Australian public hospital services. The consultation is the primary mechanism for providing input to the Pricing Framework.

Cancer Council provided feedback on Section 8, Future funding models, of the consultation paper. This section recognised the potential for alternate types of funding to complement the existing Activity Based Funding system to create better incentives for improved continuity of care, use of evidence-based care pathways and substitution of the most effective service response.

Cancer care involves multiple procedures and healthcare providers, and people with cancer often encounter difficulty navigating multiple services options in both the public and private systems.^{1, 2} People with cancer often have their care overseen by a team of multidisciplinary health professionals, with care lasting for months or years. This requires frequent visits to cancer specialists, hospitals and diagnostic services, each often with their own out-of-pocket costs, whether for direct medical treatment, or indirect costs such as parking.

Cancer Council provided support for IHPA to investigate initiatives to develop and trial innovative payment models, and believe that the wealth of cancer data available, coupled with the complexity of cancer treatment, makes it an excellent case example for such development work. Our submission highlighted work underway by the Centre of Research Excellence in Value-Based Payments in Cancer Care (<https://p4v.org.au/>) evaluating the piloting of bundled payment models in Australia.

Once considered by the review team a copy of the submission will be available on the IHPA's website: [Consultation Paper on the Pricing Framework for Australian Public Hospital Services 2023–24 | IHPA](#)

1. Bygrave A, Whittaker K, Paul C, Fradgley EA, Varlow M, Aranda S. Australian experiences of out-of-pocket costs and financial burden following a cancer diagnosis: A systematic review. *Int J Environ Res Public Health*. 2021;18(5):2422.
2. Desai A, Gyawali B. Financial toxicity of cancer treatment: Moving the discussion from acknowledgement of the problem to identifying solutions. *EClinicalMedicine*. 2020;20:100269.

Using evidence to inform policy – think about what types and how do we know it's