



26th June, 2023

To Professor Michael Pervan,

Chief Executive Officer, Independent Hospital and Aged Care Pricing Authority,

RE: Changes to Funding for Home Parenteral Nutrition

The Australasian Society For Parenteral and Enteral Nutrition (AuSPEN) and Parenteral Nutrition Down Under (PNDU) would like to raise concerns about recent changes by the Independent Hospital Pricing Authority to Home Parenteral Nutrition funding.

Home Parenteral Nutrition is reserved for a very small group of patients diagnosed with Intestinal Failure, meaning they do not have adequate length of bowel or functional bowel to absorb nutrients, electrolytes and fluid. Hence, they are reliant on feeding through a venous catheter to maintain life. Intestinal Failure is a recognised rare disease. It is estimated there are between 300-400 people living with Intestinal Failure requiring Home Parenteral Nutrition in Australia.

Home Parenteral Nutrition is block funded by the Federal Government. Changes by the Independent Hospital Pricing Authority that have reduced the price weighting for TPN – Self Administered at Home for the 2022/23 financial year and ongoing now means the funding does not cover the costs of this therapy. Parenteral nutrition formulas and ancillaries alone can cost greater than \$150,000 per patient per year. This does not include the health resources required to support this patient group, proactively manage complications, and keep them out of hospital.

	Funding for 2021/22	Funding for 2022/23	Funding for 2023/24 and ongoing
Per Person Per Month	NWAU = 2.1894 (\$10,982.03)	NWAU = 1.2545 (\$6,292.57)	NWAU = 1.2841 (\$6,441.05)
Per Person Per Year	NWAU = 26.2728 (\$131,784.37)	NWAU = 15.0540 (\$75,510.86)	NWAU = 15.4092 (\$77,292.55)

(Based on 2021/22 NWAU pricing of \$5,016)

The cost of parenteral nutrition and resources required to support this patient group is extremely high. There is already a lack of resourcing to support this patient group. Very sadly, this change to price weight for Home Parenteral Nutrition means hospitals across Australia that provide this service

will now do so at a financial loss. There is a substantial risk that people requiring this life saving therapy will be refused this therapy as hospitals place greater restrictions on access to Home Parenteral Nutrition.

This change in pricing has also uncovered major flaws in the reporting of home parenteral nutrition costs. With the majority of services having no dedicated funding, reporting of costs, notably through the [National Benchmarking Portal \(ihacpa.gov.au\)](http://ihacpa.gov.au) website is extremely inaccurate.

AuSPEN is the Australasian society for multidisciplinary health professionals working in this highly specialised area. PNDU is the patient support group that supports people living with Intestinal Failure and their carers. Together we would like to request the following:

- An urgent review of this change in funding to ensure price weight can cover the costs of home parenteral nutrition products, as well as related hospital staffing.
- An explanation of reasoning behind the change in price weighting for Home Parenteral Nutrition that now does not cover the costs of products.

Current services within HPN are fractured across Australia and largely go unfunded at the expense of hospitals willing to take on such complex patients. Current funding across inpatient, outpatient and home services do not cover the high cost but are reported poorly. AuSPEN and PNDU request that IHPA support a clinical and economic framework to allow the delivery of high quality and equitable services across all of Australia.

We appreciate the time taken to review this issue, and look forward to future communication,

Yours Sincerely,



A/Professor Sharon Carey
President, Australasian Society for Parenteral
and Enteral Nutrition
Email: sharon.carey1@health.nsw.gov.au
Phone: 0432 185 026



Mr. Christopher Walker
President, Parenteral Nutrition Down Under
Email: contactpndu@gmail.com
Phone: 0417 996 641