This information sheet was prepared by Indigenous Eye Health Unit, University of Melbourne, to better support patients and primary care providers in understanding potential costs associated with diabetic retinopathy treatment in private practice.

**What is Diabetic Retinopathy?** Diabetic retinopathy (DR) is a complication of diabetes that damages the blood vessels inside the eye. It is one of the three most common conditions causing vision loss for Indigenous Australians. DR can be detected in regular screenings of patients with diabetes.

**Screening for DR:** The NH&MRC recommends annual DR screening for Aboriginal and Torres Strait Islander Australians with diabetes. Screening is done with a retinal camera, which takes a picture of the blood vessels in the back of the eye. Annual screenings mean that any DR is likely to be identified and referred to treatment before any vision loss occurs. This screening can be done in many Aboriginal Medical Services by GPs and Health Workers, as well as by optometrists.

**DR treatment:** If through the course of screening DR is suspected, the next step is a referral to an ophthalmologist for consultation. If the decision is made to initiate treatment, there are two common treatment options. There may be specific clinical indications for one type of treatment over the other. In severe cases, other types of treatments and procedures may be required.

**Laser photocoagulation:** commonly ‘laser treatment’, includes a number of different ways to use a focused light beam (laser) on damaged blood vessels in the eye. A common course of treatment may include an initial consultation, in-depth examination, and two to three treatment sessions per eye. However more treatment sessions may be indicated or required.

**Intravitreal injections (IVI):** of anti-vascular endothelial growth factor therapy (anti-VEGF) in regular intervals are used to treat a number of eye conditions, including diabetic retinopathy. The ‘anti-VEGF’ agent acts on the abnormal growth and leakage of blood vessels in the eye. A common course of treatment may include an initial consultation, in-depth examination and an injection every 6 weeks but intervals can differ. Sometimes injection treatments may be needed for years.

**Cost of treatment:** In most parts of Australia, DR treatment is not currently offered in full through public hospitals. When accessing treatment in private practice, there are potential out-of-pocket costs for patients, even when all available elements are bulk-billed.

**DR treatment in private practice:** The following chart shows estimated DR treatment cost in private practice, even when all available elements are bulk-billed. The modelling was informed by extensive consultations with ophthalmologists, and are all based on 12 months of “common” DR treatment for one eye (for intravitreal injections, this means 6-week intervals). Some treatments may be ongoing for over 12 months, or may require a repeat in the future. Costs are indicative only, and for one eye.

**Why is there an out-of-pocket cost for bulk-billed procedures?** Bulk-billing refers to not charging the patient any out-of-pocket amount for an activity (such as consultation, treatment, scan, or procedure) listed in the MBS schedule. However some parts of a DR treatment, especially IVI, requires an OCT scan, which is only billable to MBS once every 12 months. Additionally, out-of-pocket costs for PBS procedures may also accumulate.

There may be practices in which some or all of these costs are absorbed, although this is not common without additional dedicated program funding. Additionally, the rebate received from MBS sometimes covers only 75% or 85% of the item fee, and the difference may be payable by the patient (without a bulk-billing arrangement).
PLEASE NOTE: The below are cost to service estimates only. Best Practice for ophthalmologists is to absorb these costs to enable no-cost DR treatment for Aboriginal and Torres Strait Islander patients to support better equity in access to treatment.

<table>
<thead>
<tr>
<th>Treatment type</th>
<th>(P) Pensioner</th>
<th>PBS safety net met?</th>
<th>Out-of-pocket potential cost under bulk-billing arrangements (per eye, 12 months)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(NP) Non-pensioner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IVI</td>
<td>P</td>
<td>No</td>
<td>$546&lt;br&gt;Per session: $85&lt;br&gt;First session: no charge</td>
</tr>
<tr>
<td></td>
<td>NP</td>
<td>Yes</td>
<td>$723&lt;br&gt;Per session: $102&lt;br&gt;First session: $7.30 (PBS co-pay)</td>
</tr>
<tr>
<td>Laser</td>
<td>P</td>
<td></td>
<td>$665&lt;br&gt;Per session: $95&lt;br&gt;First session: no charge</td>
</tr>
<tr>
<td></td>
<td>NP</td>
<td></td>
<td>$78&lt;br&gt;Payment only for OCT scan in second consult</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$95&lt;br&gt;Payment only for OCT scan in second consult</td>
</tr>
</tbody>
</table>

Table notes

- All models are for 12 months of treatment, per one eye. Treatment is often required for longer, or for both eyes. IVI: Intravitreal injections. Modelling uses a common 8 treatments a year (every 6 weeks), though other frequencies may be indicated.
- P/ NP: Pensioner/ Non-pensioner status impact on out-of-pocket costs.
- OCT (Ocular Tomography) and FFA (Fundus Fluorescein Angiography) are common examinations done in the course of treatment.
- PBS: Pharmaceutical Benefits Scheme covers most of the cost of the therapeutic agent used for IVI injections. Closing The Gap PBS co-payment program reduces out-of-pocket expenses for Aboriginal and Torres Strait Islander People to the concessional rate ($7.30 as of February 2023), and those otherwise entitled to concession receive their PBS medication without co-payment.
- PBS safety net (concessional) is $244.80. IVI on their own will not accumulate to meet the safety net by themselves, however many patients have comorbidities and other treatments may push them beyond the safety net threshold. The table includes estimated costs both for a scenario where the patient won’t meet the PBS safety net threshold, and one where the threshold has already been met. In reality it is more likely that a patient will move beyond the threshold during treatment, in which case the total may be in between the two scenarios.
- Cost elements: OCT scans commonly carried with each injection. MBS coverage for 1 scan in 12 months. OCT scans ($95; $78 pensioner) and PBS out-of-pocket cost (Under the Close The Gap PBS co-payment program, $7.30, no charge for pensioner). These costs are applicable even if all of the MBS-billed services may be billed.

Further resources:


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