



**CIRCULAR**  
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Reference : Code of Conduct in respect of PMB benefits  
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## **CIRCULAR 55: THE PMB BENEFIT DEFINITION PROJECT PROCESS**

### *Introduction*

- 1) The CMS has recently sent out Circulars 45, 47 and 54, which invite participation in the PMB benefit definition project. Many queries were raised by stakeholders on some of the matters raised by these circulars.
- 2) The recent Prescribed Minimum Review process must not be conflated with the current process.
- 3) The current project is in pursuance of the CMS's statutory obligations and is directed at developing "Benefit definitions" (BDs). The term "benefit definition" (BDs), was introduced in 2008 during the PMB review. In the third draft of the PMB review consultation document<sup>1</sup>, BDs have been defined as comprehensive descriptions of benefits available under PMB regulations and include condition-specific standardised entry and verification criteria, defined baskets of services and goods associated with this entitlement, formularies, as well as treatment protocols that include specification of the most appropriate setting and level of care for the provision of these services .
- 4) This definition, which is not included in the PMB regulations, has been rephrased in the recent Code of conduct document<sup>2</sup>, as well as in the Circular inviting stakeholders to participate in the BD development process.
- 5) Any BDs developed now must be in accordance with the scope and level of care in respect of PMBs as prescribed in current regulations.

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<sup>1</sup> Click [here](#) for full document: PMB review consultation document. Third draft 25 March 2009

<sup>2</sup> Click [here](#) for full document: Code of Conduct in respect of PMB benefits. 31 July 2010

- 6) To the extent that some stakeholders have raised competition concerns with the BD project we wish to note that there is no rational basis on which to construe that the BD process would have an uncompetitive outcome.
- 7) The PMB definition project concerns a proposed application of existing regulations and is not directed at an amendment of the PMB regulations.

#### *Benefit definition process*

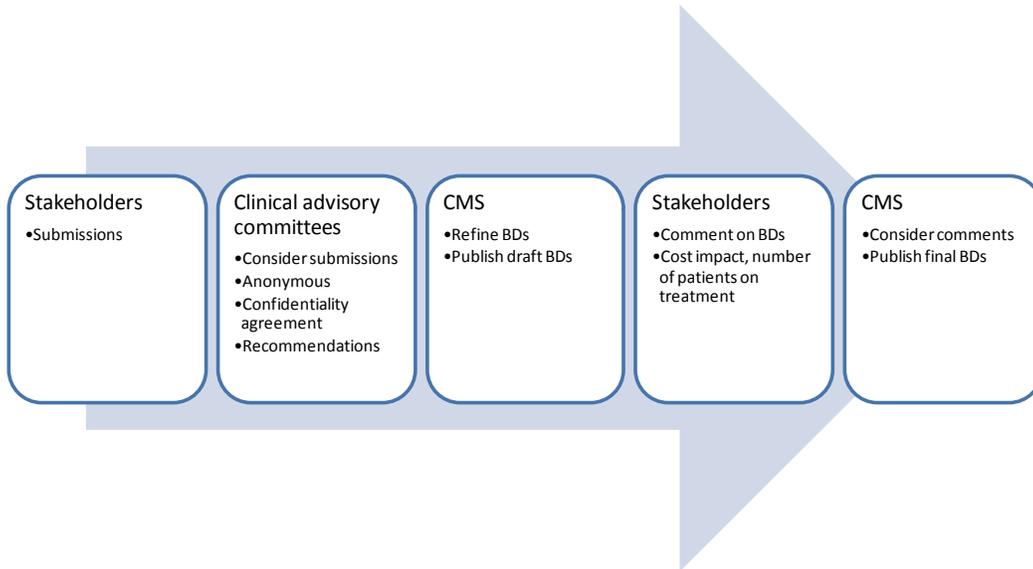
- 8) A presentation given at the initial meeting for Oncology benefits is available on the CMS website<sup>3</sup>, and more details have been included in Circular 54<sup>4</sup>.
- 9) Figure 1 shows that a consultative process is being followed in the finalisation of BDs.
  - a) Stakeholders are requested to make submissions :
    - i) Note the structure of submissions stipulated in Circular 54 (note that submissions must not contain trade names, company logos, or other identifiable information)
  - b) Clinical advisory committees :
    - i) In order to protect the intellectual property of participants as far as possible, all submissions will be anonymised and distributed to committee members only;
    - ii) The meeting of these committees, which are open to participation by stakeholders, will consider submissions received and make recommendations to the CMS on the content of the proposed BDs.

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<sup>3</sup> Click [here](#) for full document: Benefit Definition Project. Oncology Clinical Advisory Meeting. 21 October 2010

<sup>4</sup> Click [here](#) for full document: Circular 54 of 2010. PMB definition project. Guideline for submissions

Figure 1: Consultative process for finalising benefit definitions



- c) The CMS will consider the recommendations from the advisory committees and publish draft BDs for public comments on the CMS website.
- d) Stakeholders then have the opportunity to comment on the proposed draft recommendations
  - i) Comments on the proposed changes must identify the cost impact of these recommendations on medical schemes. Details in respect of the number of patients on treatment that would be affected by these draft BDs must be submitted for the CMS to consider the potential impact on medical schemes.
- e) After consideration of stakeholder comments on the draft BDs, the CMS will publish the final BDs.



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