



# Introduction to Medicare Australia and the Medicare Benefits Schedule

## The Australian health care system

The Australian Government has the primary role of developing national policies, regulations and funding.

Australia's public hospital system is jointly funded by the Australian Government and state and territory governments.

State, territory and local governments are responsible for the delivery and management of public health services and for maintaining direct relationships with most health care providers, including the regulation of health professionals and private hospitals.

## Medicare Australia

Medicare Australia works in partnership with the Australian Government Department of Health (DoH) to deliver the Australian Government's health policy objectives, for example:

- Expanding and reforming the mental health care system.
- Investing in new immunisations and medicines.
- Providing financial incentives to general practitioners who bulk-bill Commonwealth Concession Card holders and children under 16 years of age.

Medicare also provides access to patients for:

- Free or subsidised treatment by health professionals such as doctors, specialists, optometrists, dentists and some allied health.
- Free treatment and accommodation as a public patient in a public hospital.

- Subsidised services and procedures as private hospital inpatient or a private patient in a public hospital. This does not include hospital accommodation and items such as theatre fees and medicines.

Medicare supports health professionals by:

- Assessing and paying Medicare benefits to eligible members of the public for medical services.
- Registering the details of eligible health professionals to have Medicare benefits paid for their services.
- Detecting and preventing fraudulent use of the Medicare program.

## Health professional activity

Any medical practitioner or other health professional billing through the Medicare program is required to have a Medicare provider number.

A Medicare provider number identifies the practitioner and their eligibility to provide certain services. They are:

- Location specific.
- Used to refer to or request additional clinical services, eg specialists, X-ray, pathology, etc.
- Used to access Medicare Benefits Schedule (for billing).
- Issued with effective dates.

Whilst all care has been taken in preparing this document, this information is a guide only and subject to change without notice.

Practice Assist is an initiative of



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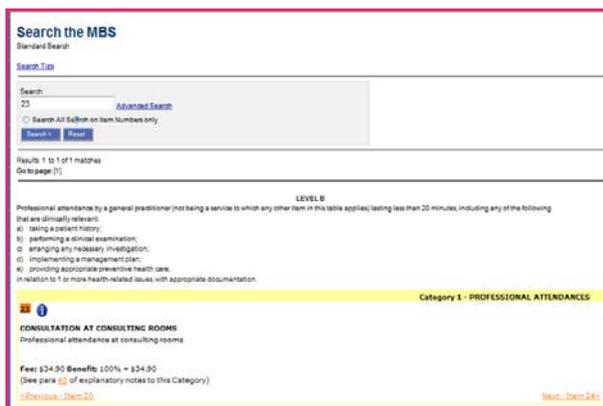
## Provider eligibility for Medicare

To be eligible to attract Medicare benefits, a GP must meet one of the following criteria:

- Be a recognised specialist, consultant physician or general practitioner; or
- Be in an approved placement under section 3GA of the Health Insurance Act 1973 (such as the Rural Locum Relief Program or WAGPET); or
- Be a temporary resident doctor with an exemption under section 19AB of the Health Insurance Act 1973, and working in accordance with that exemption (ie working in a District of Workforce Shortage).

## Medicare Benefits Schedule

The Medicare Benefit Schedule is an Australian Government Department of Health publication. It contains a list of the services subsidised by the Australian Government through the Medicare system. Access MBS online for specific items.



## Common general practice consultation items

	MBS Group A1		MBS Group A2	
Consult	Item No.	Schedule Fee	Item No.	Schedule Fee
Brief – Level A	3	\$17.20	52	\$11.00
Standard – Level B	23	\$37.60	53	\$21.00
Long – Level C	36	\$72.80	54	\$38.00
Prolonged - Level D	44	\$107.15	57	\$61.00

### Medicare pays for:

- An examination on a patient, to check on and provide advice on their general health.

- A clinically relevant service which is generally accepted by the profession as being necessary for the appropriate treatment of the patient.

## Medicare rebates and billing styles

There are various ways a general practitioner may charge for a Medicare eligible consultation. For example:

- a) 'Bulk-bill' a patient, effectively charging only the Medicare Rebate fee directly to Medicare leaving the patient with \$0 to pay. This method is common for concession card holders and children under 16.
- b) Charge the patient a 'private fee'. The patient pays the fee on the day of service, and then claims the 'rebate' from Medicare. The patient will therefore be out of pocket for the 'gap', being the difference between the private fee and the rebate to which the practitioner is entitled.

## Services not attracting Medicare benefits

When a service is not clinically relevant, the fee and payment arrangements are a private matter between the practitioner and the patient. This includes services such as pre-employment medicals, diving medicals and aviation medicals. However, the patient must be advised in advance that there will be no Medicare rebate available for that service.

- Provided by a non-Medicare eligible health professional.
- Provided to a non-Medicare eligible patient.
- Non-MBS items, such as bandages or dressings.

## Bulk billing restrictions

When a medical practitioner bulk bills a patient for a service, the practitioner is accepting the relevant Medicare benefit (the rebate) as full payment for the service.

Therefore, additional charges cannot be raised at the same time as **bulk billing** for a service.

### See also:

- Practice Assist Fact Sheet: Services not attracting Medicare Benefits

## Patient eligibility

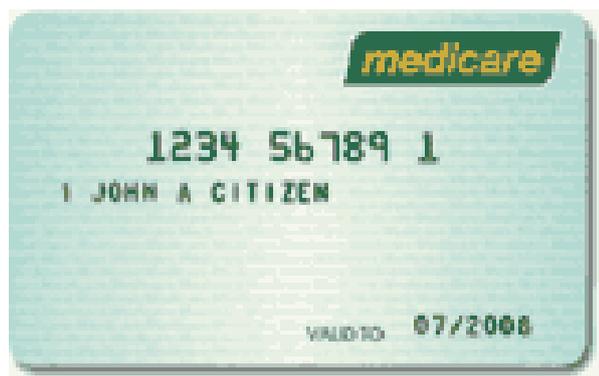
Under the Health Insurance Act 1973, a patient is deemed eligible to access Medicare if they:

- Are an Australian permanent resident or an eligible overseas representative.

- Have been declared eligible by a Ministerial Order.
- Are visiting from a country with which Australia has a Reciprocal Health Care Agreement (RHCA), such as New Zealand, United Kingdom, Republic of Ireland, the Netherlands, Finland, Italy, Belgium, Malta, Slovenia and Norway.

## The Medicare card

Before an eligible person can access free or subsidised health care treatment in Australia, they must first be issued with a valid Medicare number.



The Medicare card denotes:

- Name of person
- Medicare number – a ten-digit number which identifies the cardholder and their family group. The last digit identifies the issue number of the card.
- Expiry date – date the card is valid to.
- Reference number (prior to name) – identifies the number on the card.

## Pharmaceutical Benefits Scheme prescriber number

Medical practitioners eligible to prescribe medications under the PBS are issued with a prescriber number, usually the first time they are issued with a Medicare provider number.

Unlike a Medicare provider number which is location specific and has set dates, a medical practitioner is only issued with one prescriber number.

An application for a prescriber number can be made during the initial application for a Medicare provider number (if applicable) or as a separate application.

## More information

Medicare Australia offers:

- eLearning packages for new health professionals.

- An overview of the MBS primary care items.
- Medicare requirement for billing the treatment and removal of skin lesions.
- Advanced, case-based eLearning for general practitioners when providing GP Management Plans and Team Care Arrangements.
- Quick reference guides.
- Handbooks.

Department of Human Services  
 Medicare for Health Professionals  
<http://medicareaust.com/Accessible/MBS/NewHealthProfessionals/WCAGWelcome/index.html>

## References

Department of Human Services  
[https://www.humanservices.gov.au/health-professionals?utm\\_id=9](https://www.humanservices.gov.au/health-professionals?utm_id=9)

Department of Health, Medicare Benefits Schedule  
<http://www.mbsonline.gov.au/internet/mbsonline/publishing.nsf/Content/Home>

Department of Health  
<http://www.health.gov.au/>