Practice Assist
Strengthening general practice in WA

Fact Sheet
Version 3 / January 2020

Services Not Attracting
Medicare Benefits

The Medicare Benefits Schedule (MBS)

Medicare benefits are claimable only for 'clinically relevant' services rendered by an appropriate health practitioner. A 'clinically relevant' service is one which is generally accepted by the relevant profession as necessary for the appropriate treatment of the patient.

In addition, services listed in the MBS must be rendered according to the provisions of the relevant Commonwealth, State and Territory laws. For example, medical practitioners must ensure that the medicines and medical devices they use have been supplied to them in strict accordance with the provisions of the Therapeutic Goods Act 1989.

Where a Medicare benefit has been incorrectly claimed or an incorrect payment was received, the concerned practitioner will be asked to repay the money, or a penalty may apply. For further information on this legislation visit the Federal Register of Legislation website and Department of Health website: Billing accurately under Medicare.

Services not listed in the Medicare Benefits Schedule

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.

Billing practices

Medicare benefits are limited to services which the medical practitioner provides at the time of the consultation. Any other services must be separately listed on the account and must not be billed to Medicare. "Where some but not all of the services are bulk billed, a fee may be privately charged for the other service or services. This fee can't be used for additional charges." (Medicare Note GN.7.17)

In addition, a non-clinically relevant service must not be included in the charge for a Medicare item when Bulk Billing. Where a medical provider provides a number of services on a single occasion, they can choose to bulk bill some or all of those services. The exception of this is when the multiple Operation Rule affects the services, in this case the medical provider can use only 1 claiming channel. Refer to the Department of Health website "Bulk billing and private billing together".

Goods supplied for the patient's home use (such as wheelchairs, oxygen tanks, continence pads) must not be included in the consultation charge.
Medicare benefits are limited to services which the medical practitioner provides at the time of the consultation - any other services must be separately listed on the account and must not be billed to Medicare.

Note – be sure to consider goods and services tax (GST) implications.

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. This includes but is not limited to:

- any consumables that would be reasonably necessary to perform the service, including bandages and/or dressings;
- record keeping fees;
- a booking fee to be paid before each service; and
- an annual administration or registration fee.

The only exception to this is where the patient is provided with a vaccine or vaccines from the practitioner's own supply held on the practitioner's premises.

Therefore, it is **a breach of legislation** for a **medical practitioner or the practice** to charge for any associated consumables with a **bulk billed** service.

WA Primary Health Alliance is supported by funding from the Australian Government under the PHN Program.
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Charging for consumables

Many practices use consumable items such as dressings or surgical packs during procedures or may provide goods for later use at home. These can also include:

- bandages
- eye patches
- continence pads
- dressings such as DuoDERM, Tegaderm, OpSite or foam dressings
- wheelchairs
- oxygen tanks

It should be noted that, where a service is **not bulk billed**, a practitioner may privately raise an additional charge against a patient, such as for a consumable. An additional charge can also be raised where a practitioner **does not bulk bill** a patient but instead charges a fee that is equal to the rebate for the Medicare service.

For example, where a practitioner provides a professional service to which item 23 relates, in place of bulk billing the patient, charge the rebate for the service. Then also raise an additional charge (such as for a consumable). This way your patient is not out of pocket for the consultation and the practice is covering the cost of the dressing.

Your practice may like to set a general range of dressing descriptors and charges to your Medical Software, for example:

Description	Fee*
Basic dressing: e.g. cleaning wound, applying a dry dressing and a bandage	$5.00
Standard dressing: e.g. cleaning wound, applying duoderm/tegaderm	$10.00
Complicated dressing Level 1: depending on products used	$15.00
Complicated Level 2: depending on products used, vascular bandaging	$20.00

* These are an example only and not intended as a definitive list or suggested pricing.

Prescriptions and referrals

If a patient does not attend the medical practitioner, an MBS item number cannot be charged to provide a referral or prescription for your patient to collect from reception.

However, you may charge your patient a non-Medicare rebateable fee for the collection of the referral or prescription from reception, or for posting the referral to them. This is entirely at the doctor's/practice discretion.

More information

Enquiries about services not listed or on matters of interpretation should be directed to Medicare Australia on:
Telephone: 13 21 50
Email: askmbs@health.gov.au
Web: mbsonline.gov.au

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