



Australian Government
Medicare Australia

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Increased Audit of Chronic Disease Dental Scheme

In June 2010, Medicare Australia wrote to all dental practitioners who were participating in the Chronic Disease Dental Scheme about a compliance project being undertaken in relation to the scheme. In that letter, Medicare Australia outlined concerns about dental practitioners claiming under the scheme and provided information about the legal requirements. These matters were drawn to your attention to give you the opportunity to ensure your claiming practices are compliant.

Since that time, Medicare Australia has undertaken a program of audits of dental practitioners who have made claims under the scheme. In the conduct of these audits Medicare Australia has found that 41% of practitioners complied, or made genuine attempts to comply, with the requirements of the scheme. I acknowledge the effort and professionalism of dental practitioners who have sought to comply with the scheme. I also appreciate the efforts of the Australian Dental Association which I note has been making information available to members about the scheme since October 2007.

While many dental practitioners are claiming correctly, these audit findings have also shown a high level of non-compliance with the legal requirements, particularly the requirements of section 10 of the *Health Insurance (Dental Services) Determination 2007* (the Determination). In addition, Medicare Australia has received hundreds of complaints from patients about dental practitioners claiming under the scheme. The results of these audits have given rise to significant concern about the use of the scheme across the dental profession.

The purpose of this scheme is to improve the health outcomes of sufferers of chronic disease. The section 10 requirements go to the core of the scheme and are essential to fulfilling this purpose. The requirements of section 10 of the Determination are as follows:

- Dental practitioners must provide patients with a written quotation for each dental service and each other service (if any) in the plan prior to commencing the course of treatment. This is to ensure patients give full financial consent to the services.
- Dental practitioners must provide patients with a written plan of the course of treatment prior to commencing the treatment. Dental practitioners must also provide referring general practitioners with a copy or written summary of the treatment plan prior to commencing the course of treatment. This is to facilitate appropriate communication

between health professionals to ensure adequate and appropriate care. It also ensures that the patient is aware of the full course of treatment.

These two requirements are explicitly about patients' rights and placing the referring general practitioner in an informed position to manage the overall health of the patient. This is not red tape. Failure to notify the referring general practitioner represents a serious level of non-compliance that undermines the integrity of the scheme, does a disservice to sufferers of chronic disease and potentially puts patients' health outcomes at risk.

In addition, there are specific requirements for any claim or billing under the Medicare program. For example, health professionals may only claim Medicare benefits after the service has been rendered and the service must meet the relevant Medicare Benefits Schedule item descriptor.

A range of information has been provided to dental practitioners and is available to explain the requirements of the scheme. In particular, the Medicare Benefits Schedule Dental Services Book was sent to dental practitioners who were members of the Australian Dental Association at the commencement of the scheme. If you have not already done so, you should make yourself aware of the content of the explanatory notes as well as the item descriptors. The Medicare Benefits Schedule Dental Services Book continues to be available on the website of the Department of Health and Ageing, along with a fact sheet for dental practitioners.

It is the basic responsibility of all health professionals who bill or claim benefits under the Medicare program to acquaint themselves with the requirements and to ensure their claims are fully compliant.

Medicare Australia has taken a fair and reasonable approach to conducting audits under the scheme. Audits have generally been confined to a two year period rather than the three years of claiming under the scheme. Medicare Australia has considered all information provided by dental practitioners that could potentially demonstrate compliance with the requirement to provide a treatment plan to patients and referring general practitioners. Medicare Australia has and will continue to accept standard industry practice of what constitutes a dental treatment plan. Medicare Australia has also focused primarily on those cases where the section 10 requirements were not met in relation to any of the claims made.

It is Medicare Australia's obligation to ensure the integrity of the programs it administers and that taxpayer funds are spent correctly. As a result of the findings, I am writing now to inform you that Medicare Australia is increasing audits of dental practitioners claiming under the scheme. A Chronic Disease Dental Scheme Taskforce that was established in June 2010 will be expanded to undertake this extra work.

Medicare Australia will continue to be flexible in our audit approach, but will seek recovery of benefits where there is a clear pattern of serious non-compliance with the core requirements of the scheme. Medicare Australia considers that clear and unambiguous information about the scheme's requirements is available to dental practitioners and expects that all claiming under the scheme strictly adhere to these requirements.

It is also clear that many dental practitioners have been less than cooperative in responding to Medicare Australia's audit activity. I urge you to cooperate with Medicare Australia's audit activities. You should be aware that, if insufficient information is provided by a dental practitioner in the course of an audit, given the seriousness of failure to comply with the requirements, patients and referring general practitioners will be contacted to determine each dental practitioner's level of compliance. Medicare Australia is seeking significant recoveries

from a number of dental practitioners who have been found to be non-compliant on the basis of information provided by patients and referring general practitioners.

I also draw your attention to the recently passed *Health Insurance Amendment (Compliance) Bill 2010*. The new law enables Medicare Australia to compel health professionals to produce documents to substantiate claims, enables the recovery of claims that are not substantiated, and introduces financial penalties for health professionals who do not comply with the law. These provisions will only apply to services rendered after the Bill becomes law, however Medicare Australia will continue to pursue recovery of incorrectly claimed benefits that were paid in relation to past services where serious non-compliance is found.

As indicated above, information about the requirements of the scheme is set out in the Medicare Dental Services Book. This is available on the website of the Department of Health and Ageing at www.health.gov.au >Programs & Campaigns >Programs & Initiatives >Dental Health

I urge all dental practitioners to review their claiming under the scheme to check that all the legal requirements are met. This will ensure the scheme operates optimally to improve the health outcomes of chronic disease sufferers. Where dental practitioners can show that efforts have been made to rectify non-compliance, Medicare Australia will take this into account when considering what action to take when non-compliance is detected.

If your claiming is compliant with the legal requirements of the scheme, you need not be worried about Medicare Australia's compliance activities. However, if you have any concerns about the requirements of the scheme or about your claiming under the scheme, I urge you to contact Medicare Australia to discuss your concerns as soon as possible. You can write to Medicare Australia by email at Compliance.CDDS.Taskforce@medicareaustralia.gov.au

Yours sincerely

Lynelle Briggs
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Medicare Australia

