

**House of Representatives Standing Committee on Health and Ageing**  
**Inquiry into Registration Processes and Support for Overseas Trained**  
**Doctors**

Role of the Department of Human Services in the Administration of Section  
19AB Health *Insurance Act 1973*

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# INTRODUCTION

## Department of Human Services

The Department of Human Services (DHS) is responsible for the development of service delivery policy and provides access to social, health and other payments and services. It was created on 26 October 2004 as part of the Finance and Administration portfolio. The Human Services Legislation Amendment Act 2011 integrated the services of Medicare Australia, Centrelink and CRS Australia on 1 July 2011 into the Department of Human Services.

The department offers a range of health, social and welfare payments and services through the:

- Medicare program which looks after the health of Australians through the efficient delivery of programs such as the Pharmaceutical Benefits Scheme, the Australian Childhood Immunisation Register and the Australian Organ Donor Register.
- Centrelink program which delivers a range of payments and services for retirees, the unemployed, families, carers, parents, people with disabilities, Indigenous Australians, and people from diverse cultural and linguistic backgrounds, and provides services at times of major change.
- Child Support program which provides support to separated parents to provide the financial and emotional support necessary for their children's wellbeing.
- CRS Australia which assists people with an injury or a disability to find employment or return to work by providing individualised vocational rehabilitation, and help their employers to keep their workplaces safe.
- Australian Hearing is one of the largest hearing service providers in the world and is dedicated to helping people manage their hearing impairment so they have a better quality of life.

## THE MEDICARE PROGRAM

### Medicare Program

The Department of Human Services administers the Medicare program on behalf of the Department of Health and Ageing (DoHA) which has responsibility for policy and legislation.

Medicare is Australia's universal health care system and provides access to:

- free treatment as a public (Medicare) patient in a public hospital
- free or subsidised treatment by health practitioners such as doctors, including specialists, optometrists and dentists and other allied health providers (specified services only).

Medicare benefits are based on a schedule of fees (the Medicare Benefits Schedule) set by the Australian Government, however doctors are free to set their own fees. To access benefits under the Medicare Benefits Schedule, eligible health practitioners and members of the public must be registered for the program through the Department of Human Services.

In respect of health practitioners, they are allocated a unique provider number for each practice location where they will provide Medicare eligible services.

## Section 19AB

Overseas trained doctors are subject to restrictions set out in section 19AB of the *Health Insurance Act 1973*. This section restricts access to Medicare benefits and generally requires international medical graduates (IMGs) to work in a district of workforce shortage (DWS) for a minimum period of 10 years from the date of their first medical registration in Australia in order to access the Medicare benefits arrangements. This arrangement is commonly referred to as the 10 Year Moratorium.

The role of DHS in the operation of section 19AB of the *Health Insurance Act 1973* is an administrative one only. The policy owner and the delegate responsible for approving exemptions under section 19AB is DoHA.

An IMG who receives their medical registration from the Medical Board of Australia (MBA) needs to apply for a Medicare provider number before they can provide services under the Medicare program. The IMG will complete the "Application for an initial Medicare provider number for a medical practitioner" form which is available from [www.medicareaustralia.gov.au](http://www.medicareaustralia.gov.au). On this form the IMG is asked to provide the following information:

- Medical board registration number;
- Primary medical qualification;
- Country obtained;
- Medical school; and
- Year obtained.

There is substantial explanatory information attached to the application form, including information on section 19AB, to assist and guide the IMG in completing the application. Once completed, the IMG forwards this form to the DHS Provider Registration team for their State or Territory of residence. The provider registration officer assesses the information provided by the IMG and, where needed, forwards the relevant information to DoHA for it to make a decision about a section 19AB exemption.

Information is provided to DoHA in the form of daily spreadsheets containing the information, including the practice location, for each IMG who is seeking an exemption. Under subsection 19AC(2) of the *Health Insurance Act 1973* the Health Minister's delegate in DoHA is taken to have refused an application for a section 19AB exemption if the decision is not notified within 28 days of receipt.

When the DoHA delegate has made the decision they write to the IMG and also advise the DHS Provider Registration team of the decision. The exemption will have a start date not earlier than the date the delegate approves the exemption. Where the delegate has approved the exemption it may have an end date depending on the circumstances of the IMG and the location where they will be practising.

Based on the information received from DoHA, DHS will issue a Medicare provider number to the IMG, or write to them advising that their application has been rejected. If the exemption has not been approved by DoHA, a Medicare provider number may still be allocated to allow the doctor to refer and request services for their patients, but they will not have access to Medicare billing for services they provide.

Where an exemption under section 19AB has been issued with an end date, DHS will write to the IMG 12 weeks prior to the expiry of the exemption advising them of the need to apply for an extension if they wish to continue accessing Medicare benefits.

If the IMG does not renew their section 19AB exemption, Medicare benefits cannot be paid for their services after the expiry date and Medicare will take no further action unless contacted by the IMG. There may be a gap in the provider's eligibility to access Medicare billing if the IMG remains at the practice and a new exemption is approved after the expiry date.

## **Track and Scale**

The Track and Scale initiative was introduced on 1 July 2010. It is designed to provide an opportunity for IMG and other applicable medical practitioners to reduce the period of restricted access to Medicare billing by up to 50%. Time reductions are significantly greater for those medical practitioners who are providing Medicare services in more remote areas.

All IMGs, and medical providers who have signed a Medical Rural Bonded Scholarship Scheme (MRBS) contract with DoHA or who have signed a Bonded Medical Places Scheme (BMP) agreement with DoHA, are eligible for Track and Scale. Medical practitioners under MRBS or BMP have the option to opt-out of Track and Scale if they choose to.

The eligibility criteria for scaling are:

- their moratorium restriction period has begun;
- IMGs hold a valid section 19AB exemption for the location where the services were provided;
- they've met the total 'value of claims' threshold for that month (minimum value of claims is \$5,000 per month);
- services were provided in an eligible Australian Standard Geographic Classification-Remoteness Area 2-5 category.

When an IMG meets their obligation under the Track and Scale initiative, DHS notifies them in writing and a 'scaling class' section 19AB exemption is applied. This allows them to practise in any location for the remainder of their 'moratorium restriction period'.

IMGs are able to monitor their progress against the Tracking and Scaling program through Health Professional Online Services.

IMGs who are participating in the 5 year Overseas Trained Doctor Scheme are excluded from Track and Scale. This scheme is administered by DoHA.

## **Health Professional Online Services (HPOS)**

DHS offers health practitioners a number of online services including Health Professional Online Services (HPOS) which provides health professionals and their staff with access to a range of online services through a single entry point, making it easier for them to do business with DHS.

Through HPOS health professionals can manage their personal details and access information on their eligibility for Medicare including processing and payment of Medicare claims.

Notifications related to Track and Scale are available through this service which includes reminder and scaling completion notifications. IMGs are required to register to receive these additional services.