

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2014 - 2015, 2/3 June 2014

Ref No: SQ14-000790

OUTCOME: 5 - Primary Health Care

Topic: Rural Health Services - GP Tax

Type of Question: Written Question on Notice

Senator: McLucas, Jan

Question:

With regard to the GP Tax ("Co-payment") What happens in a doctor's surgery—how will the co-payment be collected.

Answer:

Doctors and practices will be able to choose how they collect the patient contribution. Where a practice charges a patient exactly \$7.00, the current administrative arrangements for bulk billed services will be available. That is, the practice can collect the \$7.00 from the patient, and if the patient agrees to assign their benefit to the provider, the provider can submit the claim to the Department of Human Services (DHS) and be paid the Medicare rebate directly.

If a practice chooses to charge patients an amount other than \$7.00, then the current bulk billing facilities will not be available. In most cases where a patient is not bulk billed for a GP service the practice charges the patient up-front and then submits the claim to DHS electronically on the patient's behalf. This means that the patient does not need to visit a Medicare Office and may receive their rebate almost immediately, or within a few working days.

Where a concession card holder or child under 16 years has paid the patient contribution 10 times in a calendar year, the doctor can choose to bulk bill them and will then be paid a low gap incentive.