

## Senate Community Affairs Legislation Committee

### SUPPLEMENTARY BUDGET ESTIMATES - 20 OCTOBER 2011 ANSWER TO QUESTION ON NOTICE

#### Department of Human Services

**Topic:** Chronic Disease Dental Scheme

**Question reference number:** HSW 38

**Senator:** McKenzie

**Type of question:** Written

**Date set by the committee for the return of answer:** 9 December 2011

**Number of pages:** 3

#### **Question:**

With regards to completed audits of the dentists participating in the Chronic Disease Dental Scheme:

- a) How many of the audits have been prompted by patient complaints? For these cases, that have been prompted by patients' complaints, has Medicare Australia investigated whether there is merit to the patient allegations?
- b) Regarding the letters written to dentists on "six occasions" and the booklet entitled *Medicare Benefits Schedule Dental Services* that was provided. Was this sent to every registered dentist in Australia, or, if not, what criteria determined whether a dentist received a copy of letters or this booklet?
- c) In particular, the letters of 23 November 2009 and 29 April 2011: To which subset of Australian dental practitioners were these letters sent?
- d) The department has advised the committee that whether a dentist is salaried, and "a whole range of other contextual factors about that dentist's practice and about their compliance with the very strict requirements of the legislation" are taken into account when making a determination whether to seek recovery of funds paid to dentists.
  1. Given that salaried dentists have had orders for recovery sent to them, under what circumstances would this factor lead the department to the opposite conclusion?
  2. What guidelines exist to guide such a decision that take into account this and "other contextual factors"?
  3. Under what specific circumstances would a dentist receive a warning letter instead of an invoice for recovery of funds paid?
  4. Are there any cases in which a dentist has by and large not complied with the requirements regarding treatment plans and written quotes within the specified time frames, but has not received an order for recovery of all or most benefits paid?
- e) Does the department plan any further action to educate dentists and encourage compliance with the scheme's conditions?

**Answer:**

- a) Of the 62 completed Chronic Disease Dental Scheme audits, as at 31 October 2011, 43 were prompted as the result of tip-offs or complaints received by the Department of Human Services. Of these 43, 25 relate to a tip-off or complaint from a member of the public.

All reports relating to potential non-compliance and inappropriate claiming are fully reviewed.

- b) Below are details of some of the communications to dentists regarding the requirements of the Chronic Disease Dental Scheme.

**Occasion 1:** October 2007 - letter from the Hon Tony Abbott MP. This mail out was sent to approximately 10,000 dental practitioners based on mailing lists provided by the Australian Dental Association and the Australian Dental Prosthetists Association.

**Occasion 2:** 17 October 2007 - Department of Health and Ageing mail out of Medicare Benefits Schedule Dental Services book and fact sheet. This mail out was sent to approximately 9,000 dental practitioners based on a mailing list provided by the Australian Dental Association. This material was also available on the Department of Health and Ageing's website.

**Occasion 3:** 3 March 2008 - notice to Dentists and Dental Specialists about discontinuation of Medicare dental items for people with chronic conditions and complex care needs items. This notice was sent to approximately 23,600 recipients (general practitioners (GPs), dentists, specialists and prosthetists). The mail out list was sourced from Medicare's database of registered practitioners and included: GPs who had referred patients under the Scheme; dentists and dental specialists who had used dental items; and dental prosthetists who were registered with Medicare Australia.

**Occasion 4:** July 2008 - letter from the Hon Nicola Roxon MP. This mail out was sent to approximately 9,000 dentists based on a mailing list provided by the Australian Dental Association.

**Occasion 5:** June 2010 - letter from Medicare to dental practitioners advising of audit project to be undertaken with fact sheet from Medicare to Dental practitioners *What is an audit?* This mail out was sent to 11,218 dental practitioners who had rendered at least one Medicare service since 1 November 2007.

**Occasion 6:** 29 April 2011 - letter from the former Chief Executive Officer of Medicare to dental practitioners advising of increased audits. This mail out was sent to 11,781 dental practitioners who had claimed a Chronic Disease Dental Scheme Medicare schedule fee since the inception of the Scheme.

- c) See question (b) Occasions 5 and 6.

Please note that the letter referred to as 23 November 2009 in Question (c) (letter from Medicare to dental practitioners advising of audit project to be undertaken and including the fact sheet from Medicare *What is an audit?*) was sent in June 2010. The correct version for this letter was lodged with SJ no. 53 – Senate Motion for Production of Documents – tabled on 19 October 2011.

- d) 1. Where a dental practitioner, including salaried dental practitioners, show an overall pattern of compliance with the requirements of the Chronic Disease Dental Scheme, a decision may be made to provide education rather than seek recovery.

2. Noting that all audits are assessed on their merits on a case by case basis, the following considerations are relevant to the decision regarding recovery:
  - The number of instances where the dental practitioner has failed to comply with the legislative requirements (e.g. a small number of legislative failures would less likely result in recovery of incorrectly claimed benefits).
  - Evidence that over the audit period, the dental practitioner has self corrected their claiming behaviour and has moved to being compliant with the legislative requirements.
  - Instances where a dental practitioner has provided a copy or summary of the treatment plan to the GP either during or shortly after the completion of the course of treatment.
  - Instances where a dental practitioner has billed up-front for benefits prior to providing the service, but the service has been provided at the time of the audit.

It is relevant to note that the quality of the written treatment plans and quotes provided by a dental practitioner is not a factor that is considered in the decision to recover incorrectly claimed benefits.

3. See answer to Senate Question on Notice 1227.

4. See answer to Senate Question on Notice 1227.

- e) Further to the education activities undertaken to date, dental practitioners are also provided with informal education throughout the audit process to maintain or improve their compliance with the requirements of the Chronic Disease Dental Scheme.

Information regarding the requirements of the Chronic Disease Dental Scheme continues to be available on the websites of the Department of Health and Ageing and the Australian Dental Association.

The department, in conjunction with the Australian Dental Association, has recently committed to producing a Chronic Disease Dental Scheme Question and Answer information session that will be circulated by the Australian Dental Association via CD and/or their website.