

Senate Community Affairs Legislation Committee

SUPPLEMENTARY BUDGET ESTIMATES – 22 OCTOBER 2015 ANSWER TO QUESTION ON NOTICE

Department of Human Services

Topic: Alleged Medicare Fraud – Notifications

Question reference number: HS 17

Senator: Cameron

Type of question: Hansard pages 118-119

Date set by the committee for the return of answer: 11 December 2015

Number of pages: 2

Question:

- a) Senator CAMERON: When was DHS first informed of the identity fraud in relation to these 369?

Mr Withnell: I do not have the first date, but we can get that for you on notice.

- b) Senator CAMERON: When did you first notify the former Minister of fraud involving identity theft and rebate diversion?

Ms Campbell: I think it is worth noting that that may not necessarily be fraud or identity theft—the increase we saw in the claiming.

Mr Sandison: It was the claiming rates, the activity.

Ms Campbell: It could have been fraud but it may not have been identity—

Senator CAMERON: You are not sure. These things happened in February. We are up to October. You are still not sure.

Ms Campbell: It might be worth Mr Sandison taking you through what we saw in February and what actions we took in February.

Senator CAMERON: You can do that on notice.

Ms Campbell: Okay.

Answer:

- a) As noted in the response to Senate Parliamentary Question on Notice 2548 part three, the 369 potential cases referred to cover a two year period ending on 30 June 2015.
- b) A brief was submitted to the former Minister's Office outlining concerns over Claim Medicare Benefits Online (CMBO) compliance and the reduction of claiming limits on 6 May 2015.

As part of normal analysis and control processes, the Department identified beyond trend growth in Medicare online claiming patterns during early 2015.

As part of its normal control framework, the Department acted to reduce the potential for non-compliant activity. As a consequence, from 16 April 2015 online claiming limits were reduced with daily claiming limits of \$125 and monthly claiming limits of \$250.

On 2 May 2015, the limits were further reduced to \$150 per month and \$75 per day, with claimable items reduced to 23.

In late May 2015, claiming patterns returned to expected levels.