

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Supplementary Budget Estimates 2015 - 2016, 21 October 2015**

**Ref No:** SQ15-000867

**OUTCOME:** 3 - Access to Medical and Dental Services

**Topic:** Medicare Safety Net

**Type of Question:** Written Question on Notice

**Senator:** McLucas, Jan

**Question:**

The Department reported in Supplementary Budget Estimates that psychiatric patients "would need very, very frequent access to a psychiatrist at well above average cost to engage with the safety net. " Could the Department provide a precise figure for what is meant by "very, very frequent"

**Answer:**

Once a patient has had 50 psychiatric services in a calendar year, there are 2 alternatives for further treatment. If a patient is diagnosed with 'severe' dysfunctional disorders (including patients with anorexia nervosa and patients rated between 1 and 50 on the Global Assessment of Functioning Scale) they will be billed under Medicare Benefit Schedule (MBS) item 319, which has the same rebate as the previous 50 consultations. Patients who are not diagnosed with a severe dysfunctional disorder, are billed under MBS item 316, which has half the rebate of the previous 50 consultations. Around 1 per cent of psychiatric patients have more than 50 services in a calendar year. 25 per cent of those patients (0.25 per cent of all psychiatric patients) are 'non-severe' and the other 75 per cent are diagnosed as 'severe'.

A 'non-severe' psychiatric patient having consultations of 45-75 minutes (the most common psychiatric assessment length) charged the 2014 average fee would begin to experience higher out-of-pocket costs in 2016 from their 58th service. This assumes the patient did not otherwise reach their safety net threshold through the contribution of other MBS services. In Australia this pattern of service occurs in less than 150 patients per year.

A 'severe' psychiatric patient having consultations of 45-75 minutes (the most common psychiatric assessment length) charged the 2014 average fee could have 3 psychiatric consultations a week every week of 2016 and still be \$47 better off under the new Medicare safety net arrangements. The same patient having 2 consultations per week under the same conditions would be around \$350 dollars better off. Both of these figures assume the patient did not otherwise reach their safety net threshold through the contribution of other MBS services.