

UNDERSTANDING THE MBS

Facts and Philosophy



Facts and Philosophy

- ◆ 1. History and Facts
- ◆ 2. Interpreting the MBS
- ◆ 3. Fee Schedules and Billing
- ◆ 4. Medicare and Plastic surgery
- ◆ 5. Resources

History and Facts

- ◆ Introduced 1984 Hawke Government

“to provide eligible Australians with affordable, accessible and high quality health care”

History and Facts

💧 07-08 \$18.3 Billion

💧 Increases 4% pa

💧 43% of the health budget

History and Facts

- ◆ 101,500 health providers accessing Medicare
- ◆ 26,900 specialists
- ◆ Billing \$8.1 Billion to Medicare

History and Facts

- ◆ 308.4 million individual services pa
- ◆ 5754 individual item numbers
- ◆ June 2010

75.2% services were bulk billed

85.9% of privately insured in patient services were “no gapped”

Interpreting the MBS

- ◆ “Developments in health services and medicine leads to increasingly complex MBS item numbers which may be open to more than one interpretation. This creates the potential for accidental and intentional non compliance.”

Interpreting the MBS

- ◆ Item Numbers
- ◆ Descriptor
- ◆ Explanatory notes
- ◆ www.mbsonline.gov.au search by item number or keyword

There is NO potential to allocate item numbers outside the descriptors.

It is possible to ask the HIC for assistance.

Interpreting the MBS

- ◆ ASPS Fee committee

- ◆ Process of changing or adding item numbers

- ◆ Current issues

Skin Lesion AMA skin group

Fat injections for reconstructive contour

Interpreting the MBS

- ◆ “spirit of the schedule”
- ◆ Independent of who records the item number the clinician is ultimately responsible for the information being correct
- ◆ The Medicare service must be accompanied by **adequate** and **contemporaneous** notes
- ◆ Making a false or misleading statement is a criminal offence under section 128A+B of the Health Insurance act 1973

MBS benefits are not payable for

- ◆ Telephone consults
- ◆ “Cosmetic surgery for non medical reasons”
- ◆ Work cover ,3rdparty, life insurance ,superannuation
- ◆ Self management or management of immediate family
- ◆ Body piercing or removal of tattoo
- ◆ Routine post op attendance
- ◆ Services by a salaried practitioner in a public hospital

HIC Expectation of Providers

- ◆ Be familiar with the requirements of the Medicare act
- ◆ Work in accordance with these requirements
- ◆ Understand your obligations under the relevant legislation
- ◆ Cooperate with Medicare Australia to verify compliance

Medicare Compliance

🟢 Audit

Random Compliance Audit (1:20)

Targeted Compliance Audit

Practitioner Review Program

Criminal Investigations

Compliance

1. Voluntary compliance

2. Accidental non compliance

wrong item numbers

3. Opportunistic non compliance and inappropriate behavior

knowingly bill wrong item or provide services not clinically necessary

4. Criminal behavior and fraud intentionally create false claims for services not performed

Medicare Compliance Specialist Compliance Issues

1. Billing for services not eligible for Medicare benefits
2. Billing incorrect or inappropriate item number
3. Billing consultation item number with procedures that include consultation time
4. Consultation without referral
5. “cosmetic procedures billed to Medicare , either under Medicare safety net arrangements or without clinical necessity”

Interpreting the MBS

- ◆ If you bulk bill no other charge can be raised for the service
e.g. facility fee
- ◆ Rebates

outpatient 85% scheduled fee

inpatient 75% scheduled fee

Fee Schedules and Billing

“the schedule fee is not the value of the service but rather the amount the government is prepared (or can afford) to contribute to the cost”

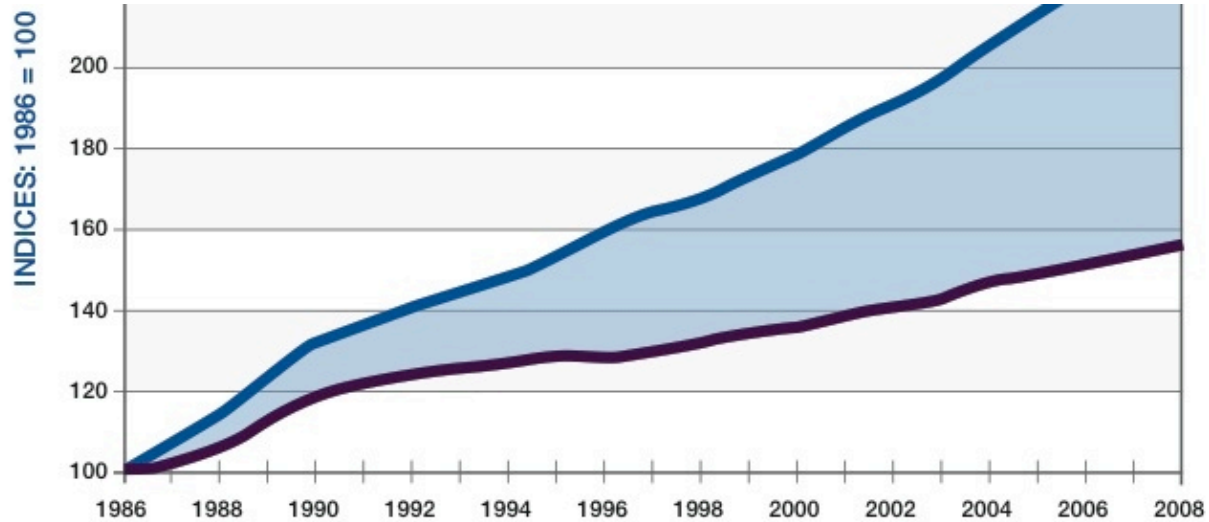
Fees Schedules and Billing

- ◆ Fees should be set according to practice costs ,experience and particular circumstances of the case and the patient
- ◆ Medicare >>>>> Patient
- ◆ Patient >>>>>Doctor
- ◆ Medicare xxxx Surgeon

AMA Fees

- ◆ AMA does not set fees (TPA-ACCC)
- ◆ Expresses a view of what is a fair and reasonable fee
- ◆ AMA fee is an expression of what the service is worth
- ◆ Medicare Scheduled fee is what the country is prepared to subsidize

AMA Fees



- (a) Index comprising average weekly earnings and consumer price index (70:30) reflecting the average cost structures in medical practices.
- (b) Index of Medicare fees as determined by the Commonwealth Government.

Fee Schedules and Billing

What do I do?

- ◆ Rebate
- ◆ Schedule
- ◆ DVA
- ◆ No Gap
- ◆ Modified
- ◆ AMA
- ◆ Private fees
- ◆ Cosmetic fees

Medicare and Plastic Surgery

Skin Lesion Surgery

- ◆ If an attendance takes place to solely perform a procedure which is covered by an MBS item number –a consultation item number should not be charged
- ◆ Aftercare “amount and duration of aftercare resulting from an operation may vary between pts for the same operation”
- ◆ NNAC

Medicare and Plastic surgery

Skin Lesion Surgery

Tumour size Length/Breadth //2

Preop dimensions

Histological confirmation 31255-31335

Melanoma primary and secondary excisions

What is not a flap?

Direct closure

Angled ,curved or trapdoor incisions

Undermining

Medicare and Plastic Surgery

Safety net

>\$562-90

>\$1126

Medicare will refund 80% of the gap when the safety net is reached for outpatient services

Facility Fees

RESOURCES

- ◆ www.medicareaustralia.gov.au
 - elearning
- ◆ www.mbsonline.gov.au
 - ◆ Search by item number or key word
- ◆ Medicare online
- ◆ Ezicclaim (eftpos)
- ◆ Eclipse-inpatient services

